Strategic Opportunities
Assumptions - Orders by Mkt

I. General Assumptions

A. "Community" includes the Events business

B. "Personalization" includes any "Consulting"-type services

II. Federal Vendor Market Assumptions

A. Existing Information services grow at 17.3% CAGR beginning Jan 2010

B. Analysis services grow at 52% CAGR due primarily to Capture Intelligence and Vendor Intelligence

C. Community: Events grows to a $2M business by 2014 (17.8% CAGR), and Advertising/Sponsorship is built into a $1M business

D. Workflow: TOONs and related TBD services (such as Teaming Collaboration) combine for $2M by the end of 2014.

III. State & Local Vendor Market Assumptions

A. Existing Information services grow at 17.7% CAGR beginning Jan 2010; Plans include more focus on the Verticals and more robust marketing efforts

B. New Information services are assumed to develop into $1M of orders by y/e 2014 and may include solutions for Product Companies and for Small Businesses

C. Analysis services grow at 40% CAGR due primarily to New offerings such as Legislative Impact tracking/newsletters, Vendor Intelligence, etc.

D. Community includes primarily advertising/sponsorship opportunities, and Workflow is focused on "Management Applications" (such as for Channel Partner activities and Procurement Management tools)

IV. Investment Industry Market Assumptions

A. Analysis, which includes the current GovIA product and TBD iterations/ offshoots, will grow to $9M by y/e 2014

B. Information services may include the "Private Company Database" and similar opportunities

C. Personalization: M&A Consulting has been identified as the primary opportunity

Projection to 2014

Printed 2/21/2010

	2009 Year Actual	2010 Year	2011 Year	2012 Year	2013 Year	2014 Year
Orders						
Renewal Base	*21,920*	*25,846*	*33,552*	*44,491*	*59,004*	*76,363*
Subscriptions - Renewal	17,726	20,741	26,589	34,813	45,579	58,224
Renewal rate	*80.9%*	*80.2%*	*79.2%*	*78.2%*	*77.2%*	*76.2%*
Subscriptions - New	9,081	12,812	17,901	24,191	30,784	37,731
Sales Teams	7,673	8,900	9,568	10,142	10,750	11,395
Upsell	1,273	2,067	2,222	2,355	2,496	2,646
CI and GovIA	135	1,845	3,537	4,470	5,140	5,525
New Products	-	-	2,575	7,225	12,398	18,164
A			*500*	*1,000*	*1,150*	*1,236*
B			*500*	*1,000*	*1,150*	*1,236*
C			*250*	*500*	*575*	*618*
D				*500*	*1,000*	*1,150*
E				*250*	*750*	*1,125*
F				-	*500*	*1,000*
G				-	*250*	*750*
H				-	-	*500*
I				-	-	*250*
J			*1,325*	*2,650*	*3,048*	*3,276*
K				*1,325*	*2,650*	*3,048*
L				-	*1,325*	*2,650*
M				-	-	*1,325*
Events	898	997	1,475	1,851	1,963	2,080
Reports & Documents	687	963	1,108	1,274	1,465	1,685
Advertising	-	100	250	300	345	371
Other	30	116	134	154	177	203
Total Orders	28,422	35,729	47,458	62,583	80,312	100,295
Growth Rate	19%	26%	33%	32%	28%	25%
Revenue						
Subscriptions	24,181	29,783	38,147	50,586	66,294	84,591
Reports & Documents	700	972	1,117	1,285	1,478	1,699
Events	936	984	1,401	1,759	1,864	1,976
Advertising & Other	54	124	297	425	496	559
Total Net Revenue	25,871	31,862	40,962	54,055	70,132	88,826
% Growth		23%	29%	32%	30%	27%
Operations						
Personnel	5,065	6,535	7,706	9,437	11,944	15,319
Other Expense	898	784	925	1,132	1,433	1,838
Operations, Total	5,964	7,319	8,631	10,570	13,377	17,157
% of Revenue	*23%*	*23%*	*21%*	*20%*	*19%*	*19%*
Member Services						
Personnel	3,403	3,577	4,183	5,123	6,484	8,316
Other Expense	214	226	264	323	409	524
Member Services, Total	3,617	3,803	4,447	5,446	6,892	8,840
% of Revenue	*14%*	*12%*	*11%*	*10%*	*10%*	*10%*
Cost of Services, Total	9,581	11,121	13,078	16,015	20,270	25,997
% of Revenue	*37%*	*35%*	*32%*	*30%*	*29%*	*29%*

1.9 → 1.5

7% 5%

4.8 – 5.0

19% – 16%

Projection to 2014

Printed 2/21/2010

	2009 Year Actual	2010 Year	2011 Year	2012 Year	2013 Year	2014 Year
Gross Income / (Loss)	16,290	20,741	27,884	38,040	49,863	62,829
Gross Profit %	*63%*	*65%*	*68%*	*70%*	*71%*	*71%*
Sales						
Personnel	4,503	5,440	7,001	9,010	11,432	14,216
Other Expense	291	317	407	524	665	827
Sales, Total	4,793	5,757	7,409	9,535	12,097	15,043
% of Revenue	*19%*	*18%*	*18%*	*18%*	*17%*	*17%*
Marketing & Product Mgmt.						
Personnel	958	768	992	1,276	1,656	2,097
Other Expense	961	700	903	1,163	1,509	1,911
Mktg. & Product Mgmt., Total	1,919	1,467	1,895	2,439	3,164	4,008
% of Revenue	*7%*	*5%*	*5%*	*5%*	*5%*	*5%*
R&D						
R&D Personnel	1,207	1,656	1,875	2,414	3,062	3,808
Other R&D Expense	385	130	148	190	241	300
R&D, Total	1,593	1,787	2,023	2,604	3,303	4,108
% of Revenue	*6%*	*6%*	*5%*	*5%*	*5%*	*5%*
General & Administrative						
Personnel	1,716	1,753	2,090	2,559	3,239	4,154
Other Expense	3,082	3,209	3,826	4,686	5,931	7,606
General & Administrative, Tota	4,797	4,962	5,916	7,245	9,170	11,761
% of Revenue	*19%*	*16%*	*14%*	*13%*	*13%*	*13%*
Corporate Expenses						
Personnel	406	414	-	-	-	-
Other Expenses	298	319	-	-	-	-
Corporate Expenses, Total	704	733	-	-	-	-
% of Revenue	*3%*	*2%*	*0%*	*0%*	*0%*	*0%*
Total Expenses	23,387	25,827	30,321	37,838	48,004	60,916
Provision for Bonuses	1,158	1,207	1,908	2,386	3,025	3,833
EBITDA	1,326	4,828	8,733	13,832	19,103	24,078
% of Revenue	*5%*	*15%*	*21%*	*26%*	*27%*	*27%*
Depreciation & Amortization	506	1,003	1,602	1,988	2,580	3,267
Operating Income / (Loss)	820	3,825	7,131	11,844	16,523	20,811
Other Revenues / (Expenses)	56	47	205	270	351	444
Inc/(Loss) Bef. Income Tax	876	3,872	7,336	12,114	16,874	21,255
Provision for Income Taxes	333	1,471	2,788	4,603	6,412	8,077
Net Income / (Loss)	543	1,566	4,548	7,511	10,462	13,178
% of Revenue	*2%*	*5%*	*11%*	*14%*	*15%*	*15%*

2010 Budget
Income Statement Annual

Printed 1/28/2010

	2010 Year	2009 Year	2009-2010 % Change
Orders			
Renewal Base	*25,846*	*21,920*	*18%*
Subscriptions - Renewal	20,741	17,726	17%
Renewal Rate	*80.2%*	*80.9%*	*-0.6%*
Subscriptions - New	12,905	9,081	42%
Sales Teams	*8,900*	*7,673*	*16%*
Upsell	*2,067*	*1,273*	*62%*
CI and GovIA	*1,938*	*135*	*1336%*
Events	997	898	11%
Reports & Documents	1,148	687	67%
Advertising	100	-	0%
Other	37	30	20%
Total Orders	35,927	28,422	26.41%
Revenue			
Subscriptions	29,761	24,181	23%
Reports & Documents	1,048	700	50%
Events	984	936	5%
Advertising & Other	44	54	-18%
Total Net Revenue	31,837	25,871	23.06%
Operations			
Personnel	6,587	5,065	30%
Other Expense	787	898	-12%
Operations, Total	7,374	5,964	24%
% of Revenue	*23%*	*23%*	
Member Services			
Personnel	3,574	3,403	5%
Other Expense	226	214	5%
Member Services, Total	3,799	3,617	5%
% of Revenue	*12%*	*14%*	
Cost of Services, Total	11,173	9,581	17%
% of Revenue	*35%*	*37%*	
Gross Income / (Loss)	20,664	16,290	27%
Gross Profit %	*65%*	*63%*	*2%*
Sales			
Personnel	5,399	4,503	20%
Other Expense	317	291	9%
Sales, Total	5,716	4,793	19%
% of Revenue	*18%*	*19%*	

2008
40%

INPUT Financial Performance
2002 - 2010 Income Statement

INCOME STATEMENT:	2002	2003	2004	2005	2006	2007	2008	2009 (1)	2010 Plan	2011	2012	
Revenue	$8,044,987	$10,329,546	$16,399,004	$20,518,070	$21,891,701	$22,175,068	$22,808,982	$25,938,159	$31,376,352	$ 38,906,676	$ 48,244,278	
Cost of Sales	$2,108,668	$2,252,403	$5,432,398	$7,114,153	$8,804,704	$10,662,122	$10,832,735	$11,356,735	$13,715,397	$ 16,458,476	$ 19,750,171	
Sales & Marketing	$2,809,901	$5,518,580	$7,693,274	$7,817,644	$7,565,306	$7,074,839	$6,585,837	$7,409,709	$8,215,178	$ 9,858,213	$ 11,829,856	
Research & Development	$0	$952,525	$1,959,428	$2,264,612	$2,011,910	$1,702,812	$1,575,244	$2,561,447	$1,933,149	$ 2,319,779	$ 2,783,735	
General & Admin (including Corp)	$1,626,705	$1,928,351	$2,315,207	$2,382,759	$2,407,603	$2,721,098	$3,201,657	$3,651,908	$3,488,045	$ 3,836,849	$ 4,220,534	
EBITDA	-$500,287	-$322,313	-$1,001,301	$938,901	$1,102,178	$14,198	$613,509	$958,361	$4,024,584	$6,433,359	$9,659,983	
Depreciation & Amortization	$62,170	$219,540	$440,298	$602,515	$580,111	$445,408	$398,562	$471,148	$944,848	$1,444,848	$1,744,848	
Other Revenues (Expenses) (2)	-$593,867	$37,654	$93,315	$1,111,900	$90,752	$248,042	$86,824	$46,787	$45,388	$50,000	$50,000	
Provision for Income Taxes	$1,800	$0	$0	$0	-$139,872	-$1,331	-$33,006	$186,900	$1,093,793	$1,763,479	$2,787,797	Tax Rate 0.35
Net Income / (Loss)	-$1,158,124	-$504,199	-$1,348,284	$1,448,286	$752,891	-$181,835	$334,777	$347,100	$2,031,330	$3,275,032	$5,177,337	

(1) 2009 at Current Projection
(2) In 2005 there is a commission expense recognition adjustment of $1,003,417 included in Other Revenues (Expenses) 2005 NI before this adjustment was $444,869
2008 includes $68k Loss on Product Sunset (IEP)
(3) Amounts above include Facilities Allocation for comparability

INPUT Financial Performance
2009 2010 Considerations

	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
	Bonus		Facilities Allocation		Headcount		Capitalized Development Costs		Corporate Expenses	
	($)	($)	($)	($)			($)	($)		
Operations & Member Services	$433,893	$449,998	$1,339,823	$1,702,257	105.65	125.8				
Sales & Marketing	$238,466	$181,987	$644,231	$771,293	50.8	57				
Research & Development	$216,761	$182,994	$304,361	$257,098	24	19	$550,000	$1,500,000		
General & Admin (including Corp)	$464,274	$485,021	$202,907	$230,035	16	17			$727,759	$939,814
Total	$1,353,394	$1,300,000	$2,491,323	$2,960,683	196	219				
Depreciation & Amortization							$16,000	$378,000		

INPUT Financial Performance
2002 - 2010 Balance Sheet

BALANCE SHEET:

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Cash	$ 1,431,492	$ 3,164,726	$ 3,145,864	$ 3,692,938	$ 4,395,932	$ 3,823,803	$ 5,933,868	$ 7,316,199	$ 9,372,626	$ 14,975,953	$ 22,581,724
Accounts Receivable, net	$ 2,450,414	$ 3,722,293	$ 4,601,965	$ 4,249,414	$ 3,881,421	$ 3,458,406	$ 3,128,060	$ 3,905,701	$ 4,798,138	$ 6,118,588	$ 7,342,306
Other Current Assets	$ 129,526	$ 115,776	$ 122,635	$ 1,696,334	$ 1,210,403	$ 1,319,739	$ 1,295,332	$ 1,350,221	$ 1,543,146	$ 1,571,996	$ 1,679,320
Fixed Assets, net	$ 404,194	$ 756,149	$ 1,002,945	$ 932,310	$ 688,059	$ 598,294	$ 849,995	$ 1,554,146	$ 2,609,298	$ 2,664,450	$ 2,419,602
Other Assets	$ 31,260	$ 371,118	$ 333,890	$ 427,454	$ 538,269	$ 462,654	$ 459,360	$ 478,112	$ 478,112	$ 498,112	$ 508,112
Total Assets	$ 4,446,886	$ 8,130,062	$ 9,207,299	$ 10,998,450	$ 10,714,084	$ 9,662,896	$ 11,666,815	$ 14,604,379	$ 18,801,320	$ 25,829,099	$ 34,531,063
Accounts Payable	$ 116,357	$ 519,344	$ 313,549	$ 463,154	$ 371,425	$ 218,988	$ 174,559	$ 150,000	$ 187,925	$ 275,625	$ 289,406
Accrued Liabilities	$ 691,841	$ 1,256,712	$ 1,307,192	$ 1,563,713	$ 1,212,360	$ 1,444,181	$ 1,659,288	$ 2,477,296	$ 2,570,022	$ 3,375,717	$ 3,485,936
Other Current Liabilities	$ -	$ 4,596	$ 4,590	$ 13,055	$ 16,527	$ 27,587	$ 76,492	$ 32,339	$ 15,583	$ 80,000	$ 50,000
Non-Current Liabilities	$ -	$ 21,500	$ -	$ 144,391	$ -	$ -	$ 789,740	$ 822,419	$ 787,932	$ 728,814	$ 599,441
Deferred Revenue	$ 5,250,659	$ 8,508,704	$ 11,177,386	$ 10,968,052	$ 10,632,567	$ 9,960,092	$ 10,559,129	$ 12,259,745	$ 14,170,947	$ 16,800,000	$ 20,160,000
Total Liabilities	$ 6,058,857	$ 10,310,856	$ 12,802,717	$ 13,152,365	$ 12,232,879	$ 11,650,848	$ 13,259,208	$ 15,741,798	$ 17,732,409	$ 21,260,156	$ 24,584,783
Stock (Common & Treasury)	$ 3,175	$ (7,122)	$ 60,131	$ 59,177	$ (54,497)	$ (315,685)	$ (255,794)	$ (147,720)	$ 27,280	$ 252,280	$ 452,280
Currency Gain/(Loss)	$ -	$ -	$ (11,329)	$ (10,881)	$ (260)	$ (262)	$ 430	$ 430	$ 430	$ 430	$ 430
Retained Earnings	$ (1,615,146)	$ (2,173,672)	$ (3,644,220)	$ (2,202,211)	$ (1,464,038)	$ (1,672,005)	$ (1,337,229)	$ (990,129)	$ 1,041,201	$ 4,316,233	$ 9,493,570
Total Stockholders' Equity	$ (1,611,971)	$ (2,180,794)	$ (3,595,418)	$ (2,153,915)	$ (1,518,795)	$ (1,987,952)	$ (1,592,593)	$ (1,137,419)	$ 1,068,911	$ 4,568,943	$ 9,946,280
Total Liabilities & Stockholders' Equity	$ 4,446,886	$ 8,130,062	$ 9,207,299	$ 10,998,450	$ 10,714,084	$ 9,662,896	$ 11,666,615	$ 14,604,379	$ 18,801,320	$ 25,829,099	$ 34,531,063

Organizational Gaps

2/22/2010

Government BD Exec. ✓ + SEP AND
Software Workflow Sales – SE M
~~Product~~ Development
Process Improvements
Marketing Resources (Strategic Marketing Analysis) ?
High-End/Low-End Sales
Advertising Sales Experience
State & Local Market Expertise
Technology Leadership

- VP MKTG
- VP. MD. ANALYST
- V./SEL.
- V.P. Federal.

360.00

60,000

Key Opportunities

2/22/2010

Markets	Average Rating (5=high; 1=low)	Attractiveness	Fit with INPUT
Health Care for Vendors	4.0	5	3
Federal Government (as a customer)	4.0	4	4
Investors ✓	4.0	4	4
S&L Government (as a customer)	3.5	3	4
Education for Vendors	3.5	4	3
Energy	3.5	4	3
Transportation for Vendors	3.0	3	3
Human Resources/Recruiting	2.5	3	2

Products	Average Rating (5=high; 1=low)	FED.	S&L	INV. SVCS.	H/C
Teaming/Community/Social NW	4.75	*			
Advertising/Sponsored Research	4.00	*	*	*	
Analysis for Healthcare Market	3.25				*
Lead Gen Consulting	3.00				
Training/Education	3.00				
Member Dashboards	3.00				
Dashboards/Personalized Content	3.00				
* Info Sec Product (revisit)	3.00				
Best Practices/Analysis for Govt	2.75				
M&A Consulting	2.75				
Expert Network	2.50				
Small Business Start Up/Incubation	2.50				
Marketing Consulting	2.50				
* Organization Charts/Contacts	2.50				
* Executive Programs	2.50				
Market Assessment Consulting	2.00				
Embedded Analysts	2.00				

- Sales. Planning.

Key Issues

2/22/2010

Issue	Category	Importance Rating (5=high; 1=low)
Search/Access Information (Googlization)	Operating Issues	4.50
Greater Need to Team (extension)	Market Issues	4.50
Self-Service	Operating Issues	4.50
New Large Entrants (e.g., Bloomberg, Deltek)	Competitor Issues	4.25
Greater Reliance on Task Orders	Market Issues	4.00
Budget Pressures/Head Count	Market Issues	4.00
Commoditization of Data	Competitor Issues	4.00
Product Development	Operating Issues	4.00
Go to Market Methods (Sales, Marketing, incl public Web Site)	Operating Issues	4.00
Healthcare Reform	Market Issues	3.75
Increasing Cost of Doing Business with Government	Market Issues	3.75
Growth in Social Media	Industry Issues	3.75
Real Time Feedback from Members	Operating Issues	3.75
Integration with Member Applications	Operating Issues / extension	3.75
Small Business Support	Operating Issues	3.75
Knowledge Management	Operating Issues	3.75
Back Office/Productivity Improvements	Operating Issues	3.75
Paid Content on the Decline (Outsell)	Industry Issues	3.50
More Data Available from Government	Industry Issues	3.50
Free Sources/Lower Barriers to Entry for Data	Competitor Issues	3.50
Loss of Data Control - Data integrated with member applications	Industry Issues	3.25
Energy/Environment	Market Issues	3.00
Pricing	Operating Issues	3.00
Government as a Competitor	Competitor Issues	2.75
Hunger for Information	Market Issues	2.50
More Protests	Market Issues	2.00
Need for Cleared People	Market Issues	1.75

Printed: April 14, 2010

BUYER

FEDERAL GOVERNMENT MARKET PLAN

(April 12, 2010)

· IT Serv
· Product.
· Bus. Svcs – Consult
· Eng Svc.

I. SUMMARY

A. Market Description

The Federal government market consists of the Executive (including independent agencies), Legislative, and Judicial branches of government, all with the authority to make purchases and conduct procurements for contracted goods and services. Since the Legislative and Judicial branches are relatively small in size, the majority of spending activity takes place within the Executive branch – whose mission it is to carry out the business of government.

The Executive branch is made up of 15 Cabinet-level departments as well as a number of independent entities, acting with their own spending authority. Below this top-level of the Executive branch are 900 sub-agencies, with budget to carry-out specific missions. This includes 700 Civilian agencies and 200 Defense entities.

Within this market, INPUT has the opportunity to support the procurement officials, Chief Information Officers (CIO) or Chief Technology Officers (CTO), individuals responsible for marketing and maintaining large contract vehicles, and senior policy officials responsible for managing major programs, implementing new broad-ranging solutions, and coordinating all efforts with the contractor community.

Market Issues
• Absence of truly consolidated information, including best-practices.
• Mounting deficits increased pressure to do "more with less" as contracting and program management staffing does not keep pace with demanded output.
• Potential acquisition reform creating more burden and overhead on purchasing processes.
• Increased reliance on working with contractors, including many new market entrants.
• In 2010, pressure to spend Stimulus funding quickly.
• The need to hire and train new, younger talent in the government workforce to support new and expanding government programs.
• A technology evolution which enables collaboration and information sharing.

B. Target Markets and Segments

The Federal Government consists of government entities in the following markets and segments:

Government Type	*Government Size*	*Function*
• Executive Branch Agencies • Legislative Branch Agencies • Judicial Branch Agencies • Quasi-Federal Entities	• All Federal agencies with buying authority	• Agency leaders/executives • Procurement officials • Chief Information/Technology Officers • Program managers • Contract vehicle marketers

C. Size of the Opportunity

Market sizing was accomplished by determining which products could be sold to each segment. The number of companies in each segment was multiplied by the estimated average annual subscription price of the products.

By number of agencies:

FY09 Awarded Value	*>$1B*	*$100M-$1B*	*<$100M*	*No Spend*
Total	700	200	23	14

By dollars ($M):

FY 09 Awarded Value	*>$1B*	*$100M-$1B*	*<$100M*	*No Spend*
Total	$11	$19	$30	$101

· Gartner 30
· ~~Gartner~~ 60

D. Types of Products/Services

The Federal Government Market needs are as follows:

	New Offerings	Business Function
Information	**Assist agencies in researching current and past legislation affecting their function.** Procurement officials and program managers have a need to know how current legislation affects their ability to buy and build their required solutions. INPUT may offer a Legislative Activity Database – a repository of all current and past legislation affecting a particular agency or set of agencies that can be used as a reference when conducting procurements or building requirements.	• Contracting officials • Program managers
	Support contracting officials in analyzing pricing to gauge market sensitivity and reasonableness. Procurement officials currently lack visibility into vehicles and pricing outside their immediate agency. With the necessary speed of procurements and pressure for efficiency, INPUT could offer a Pricing Database – a repository of contract labor pricing for use when testing market reasonableness and gauging the availability of vendor solutions when conducting procurements. Will also support the contracting official in finding possible contract vehicles to use on a particular acquisition	• Contracting officials
Analysis	**Assist the government in assessing vendor capacity and ability to bid.** Agencies have a need to understand where vendors have already done work (for reference checks), where they are currently bidding and the solutions they offer government, as well as to use a rating system to assess vendors based on multiple criteria. INPUT can provide a Vendor Intelligence/Rating – information and analysis about industry vendors including objective ratings.	• Contracting officials • CIOs/CTOs • Program managers
	Help agencies share best practices. The government has a need to identify ways in which they can "work smarter" and more efficiently by sharing success stories and lessons learned across government. INPUT can support this with Best Practices Analysis – analysis of best technology, acquisition, contract management, or solution implementation practices across government.	• Program managers • Contracting officials • Chief Information/Technology Officers • Agency leaders/executives

	Assist the government in keeping abreast of new and emerging technologies. With technology evolving at its current pace, and the government workforce strapped, there is a need to know what new technologies are taking shape and how they might play a role in the mission of government entities. INPUT can provide a "Hot" Technology Analysis – an analysis of new and emerging technologies and where there might be a fit for implementation in government.	• Program managers • Chief Information/Technology Officers • Agency leaders/executives
Personalization		•
Community	**Support government in communicating and share ideas more effectively.** In a time of tight budgets, especially travel budgets, agency officials still need a way to share ideas and best practices and to communicate with one another in a closed environment. INPUT Government Community supports this effort by providing the closed network platform to enable this communication. It is also a platform for selling analysis via e-commerce.	• Contracting officials • CIOs/CTOs • Program managers • Agency leaders/executives
	Help the government fins industry experts for specific projects and tasks. There is often a need among government to tap subject matter experts for RFP development, sole source selection, technology consulting, etc. INPUT can support this through access to industry SMEs (Expert Network) – a network of subject matter experts that governments may engage for advice or consulting work.	• Contracting officials • CIOs/CTOs • Program managers • Agency leaders/executives
Workflow	**Assist government agencies in integrating relevant procurement process into their current procurement management tools.** There is a need to have historical contract information and vendor information incorporated into automated procurement tools, so they can be viewed and used during the RFP and contract management process. INPUT, with Compusearch integration, can bring vendor information, and historical contract information to contracting officials and program managers through their automated procurement interface.	• Contracting officials
	Support government in developing their own procurement portals. Smaller governments cannot always afford to develop a procurement Web site, even though they are under pressure to do so with current transparency initiatives. INPUT can offer	• Contracting officials • Program managers

	procurement management tools to assist in the automation of the procurement/acquisition process, as well as the contract management process	

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STATE & LOCAL GOVERNMENT MARKET PLAN

(April 13, 2010)

I. SUMMARY

A. Market Description

The state and local government market consists of the governments of the 50 states, the District of Columbia, over 89,000 local governments throughout the U.S. (including counties, municipalities, special districts, and independent school districts), U.S. territories and possessions, and federally recognized Native American tribal governments. Within this market, INPUT has the opportunity to support the procurement officials, Chief Information Officers (CIO) or Chief Technology Officers (CTO), grants administrators and senior policy officials responsible for managing major programs receiving federal funds in the health care, homeland security, justice and public safety, and social services segments.

Market Issues
• Revenue shortfalls and structurally imbalanced budgets
• Increasing involvement of and mandates from the federal government
• Greater demand to provide direct citizen services and have strong connections with citizens than federal government has
• Transparency and open government pressures
• Implementation of health care reform (enrolling 30 million people for Medicaid/SCHIP by 2014)
• Sharing services between local governments and government consolidation/reorganization to decrease cost of government
• Innovative transportation infrastructure funding sources
• Economic development initiatives in high tech, bio tech, renewable energy or other high-paying industries
• Public sector employee pension fund liabilities

B. Target Markets and Segments

The targets S&L Government market are government contractors in the following markets and segments:

Government Type	*Government Size*	*Function*
• States • Counties • Municipalities • Special Districts (including independent school districts)	• All states • > $500 million in total expenditures (all others) • >100 million to $500 million • < $100 million	• Procurement officials • Chief Information/Technology Officers • Senior program managers • Grant administrators

C. Size of the Opportunity

Market sizing was accomplished by determining which products could be sold to each segment. The number of companies in each segment was multiplied by the estimated average annual subscription price of the products.

By number of governments:

Annual Spending	*States*	*Counties and Cities*	*Special Districts*	*Total*
> $500M	50	239	122	752
> $100M to $500M		952	1,036	1,988
< $100M		25,465	25,896	51,361
Total	50	26,566	27,054	54,101

By dollars (in millions):

Annual Spending	*States*	*Counties and Cities*	*Special Districts*	*Total*
> $500M	$12	$3	$1	$16
> $100M to $500M	0	8	9	17
< $100M	0	145	154	299
Total	12	156	164	332

D. Types of Products/Services

The S&L Government Market needs are as follows:

	New Offerings	Business Function
Information	**Assist Procurement Officials during Negotiations with Vendors** During contract negotiations with vendors, government contracting officials benefit from knowing what pricing and terms and conditions that vendor has offered other governments of a similar size. INPUT could provide a database of pricing information so that procurement officials are better prepared for contract negotiations.	• Contracting officials
Analysis	**Help Procurement Officials Understand Vendors' Core Competencies and Help with Reference Checks** Procurement officials often do not know which vendors specialize in certain solutions or technologies. Also when they are conducting vendor reference checks during source selection, they would like to speak to other governments in addition to those listed by the vendor in their proposal. INPUT could provide procurement officials information about vendors, such as where they have done business in the past and what types of work they have previously done for other governments.	• Contracting officials • CIOs/CTOs • Program managers

	Assist Government Program Managers Understand the Effect of Changes to Federal Laws, Rules or Regulations Many programs managed by state and local governments are partially funded by federal assistance. When the federal governments changes laws, rules and regulations related to those programs, state and local program managers need to understand those changes as quickly as possible. INPUT could provide an advisory service that would assist those government officials understand the impact of changes to federal laws, rules or regulations.	• Program managers
Personalization		
Community	**Enable Government Officials from Many Governments to Participate in a Government Community to Share Ideas and Experiences** State and local government officials do not have the same opportunities to meet as frequently as their federal counterparts. INPUT could offer a "closed" community which would welcome the interaction and participation of government officials.	• Contracting officials • CIOs/CTOs • Program managers • Grants administrators
	Help Government Procurement Officials and Program Managers Identify Consultants Governments frequently contract with consultants to assist with the development of a request for proposals document or vendor source selection. INPUT could provide a service that identifies consultants that can assist government procurement officials during an acquisition.	• Contracting officials • CIOs/CTOs • Program managers • Grants administrators
Workflow	**Help Government Officials Better Manage the Federal Government Grants Process** A recent survey conducted by Accenture and the National Association of State Auditors, Controllers and Treasurers (NASACT) indicated that only 50% of state governments use specialized software when applying for federal grants and 64% do not use software to manage and/or report on grant activities. The situation is even worse among local governments. INPUT could provide a Web-based application that assists state and local government official's better manage their grant application, management and reporting activities.	• Grants administrators • Program managers
	Assist Small Local Governments Advertise Procurement Opportunities More Broadly Many small local governments or agencies do not have a procurement Web site. It is difficult for them to get competitive bids for their acquisitions when vendors do not know about them. INPUT could develop a Web-based application that would assist small local governments and agencies advertise and manage their solicitations.	• Contracting officials

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HEALTHCARE MARKET BUSINESS PLAN

(April 12, 2010)

I. SUMMARY

A. Market Description

The Healthcare market consists of companies implementing solutions within both U.S. government and commercial health-focused client entities. With the current degree of change and uncertainty over healthcare, these companies require timely and insightful analysis of their market opportunity and a view of the buying activity of their client accounts. There is also a need for companies to market themselves to the many, dispersed healthcare providers in the market space. The market is segmented into three distinct groups, based on the types of offerings being introduced and market being served:

- Public Sector Vendors – Analytical Offerings
- Commercial Healthcare Providers – Information Products
- Commercial Healthcare "Support" Organizations – Advertising
    - Medical Equipment Manufacturers and Distributors
    - Medical Insurance Companies
    - Pharmaceutical Companies

These companies are supporting a host of client entities, including, but not limited to:

- Government agencies (Federal, State and Local) with a healthcare focused mission
- Government agencies whose function is to support healthcare-focused organizations (grants management, finance, etc.)
- Large commercial hospitals and patient-care institutions
- Academia, with a healthcare focus
- Commercial organizations dealing with the management of health information

Within this market, INPUT has the opportunity to support the leaders of the business, particularly the individuals responsible for market strategy and planning, as well as the business development and sales functions. INPUT also supports the product development function. In the support market space, INPUT will do so through an advertising-based sales approach.

Market Issues
• Absence of truly consolidated information, including best-practices.
• Changing legislation and rapid expansion of government involvement
• Heavy State involvement
• Reliance on technology to meet Administrations' objectives
• Increased reliance on working with contractors, including many new market entrants.
• A very mixed public perception.
• A technology evolution which enables collaboration and information sharing.

B. Target Markets and Segments

The Healthcare market consists of companies in the following markets and segments:

Company Type	*Company Size*	*Function*
• Health IT • Medical Device Manufacturing • Pharmaceutical • Insurance • Healthcare Providers	• All companies with buying authority, with largest entities taking priority	• Strategic Planning • Business Development • Sales • Product Development

C. Size of the Opportunity

By number of companies:

Company Size	*Large (>$1B)*	*Mid-Market ($100M-$1B)*	*Small (<$100M)*
Total	77,000	387,000	1,084,000

By dollars ($M):

Company Size	*Large (>$1B)*	*Mid-Market ($100M-$1B)*	*Small (<$100M)*
Total	$409	$701	$745

D. Types of Products/Services

The Healthcare Market needs are as follows:

	New Offerings	Business Function
Information	**Assist healthcare market players in gaining a single dashboard view of leading market indicators.** INPUT can do this through development of a Health Data Set Mash-Up – a "mash-up" of health indicators, including procurement information, spending, installed base. This helps to address the need for consolidation of data sets into a dashboard view of these indicators. Can be sold to all companies in the market space, both public-sector and commercial.	• Sales and Business Development
	Help healthcare market "support" players to market themselves. With so many healthcare providers in the U.S., all geographically dispersed but all focused on the same mission, insurance companies, pharmaceutical companies, and medical device manufacturers need a way to get their marketing message out to the largest number of viewers. INPUT can support this through a newsletter distributed at no-cost to the healthcare providers, and supported by selling advertising space to these support players.	• Sales and Business Development • Marketing
Analysis	**Help Public Sector healthcare companies analyze the government market.** INPUT can support this through a Healthcare Industry Analysis program – a full-service offering providing analysis of the healthcare market, to include: Rapid Advisory Services, Buyer Intelligence, Information Services, Events, Community Features. Will be sold to vendors in the public sector space.	• Strategic Planning • Sales and Business Development • Product Development

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FEDERAL VENDOR MARKET PLAN

(April 13, 2010)

I. SUMMARY

A. Market Description

The federal government vendor (Federal Vendor) market consists of companies that sell products and services to the U.S. federal government. Within this market, INPUT provides products and services that support the sales, marketing and executive/planning.

Below are key issues facing Federal Vendors over the next 5 years. INPUT's opportunities to meet these needs are in Section D of this plan.

Market Issues
• Increasing role and influence of the federal government in the broader U.S. economy and on state and local governments • Overall, federal government spending is expected to grow on pace with the broader economy, but growth will be higher in the civilian agencies. • Extensive need for companies to team on government contracts due to complex nature of federal procurements and procurement processes. • Increasing transparency in government reporting and burden on vendors in doing business with the federal government. • Significant increase (20% annually) in use of task order based contracts for awarding contracts. • Increasing complexity in an already complex environment for companies to do business due to increasing transparency and compliance requirements imparted on companies. • Fast paced environment leaves little time for collaboration among Primes and Subcontractors on Contracts and Task Orders • Difficulty for companies in branding and promoting their capabilities to prime contractors to secure teaming relationships. • Lack of tools to quickly and efficiently analyze an expanding pool of government data sets that may be useful for competitive purposes. • Difficulty in making cost effective yet accurate bid/no bid decisions on major (multi-billion dollar) contract opportunities. • Lack of resources for Small Business entrants into the Federal Market

B. Target Markets and Segments

INPUT's target segments in the Federal Vendor market today and in five years are below:

Existing Segments

Vendor Type	Vendor Size	Function
• Computer & Communications Services • Consulting & Business Services • IT & Electronic Products/Resellers • Engineering Services	• Enterprise (>$200 million) • Mid-Market ($25 to $200 million) • Small Business (<$25 million)	• Executive/Planning/Partnering/ Acquisition • Marketing • Sales/Business Development

Future Segments

Vendor Type	Vendor Size	Function
• Aerospace/Defense • R&D • Construction	• Enterprise (>$200 million) • Mid-Market ($25 to $200 million) • Small Business (<$25 million)	• Executive/Planning/Partnering/ Acquisition • Marketing • Sales/Business Development • Sales Support Operations • Human Resources

C. Size of the Opportunity

Market sizing was accomplished by determining which products could be sold to each segment. The number of companies in each segment was multiplied by the estimated average annual subscription price of the products.

Vendor Population (Total Market)

	Computer & Communications Services	Consulting & Business Services	IT/E Products and Resellers	Engineering Services	Aerospace & Defense	Research & Development	Construction	Total
Enterprise	209	702	611	58	158	48	300	2086
Mid-Market	620	998	1228	297	262	160	1451	5016
Small	17807	19610	21024	6671	4524	2868	43655	116159
Total	18636	21130	22863	7026	4944	3076	45406	123261

Potential Market in Dollars ($M)

	Computer & Communications Services	Consulting & Business Services	IT/E Products and Resellers	Engineering Services	Aerospace & Defense	Research & Development	Construction	Total
Enterprise	$41	$140	$121	$5	$20	$14	$29	$374
Mid-Market	50	81	100	16	21	9	84	$364
Small	365	373	400	70	56	30	458	$1,754
Total	$458	$594	$622	$92	$98	$54	$573	$2,494

D. Types of Products/Services Provided

Key strategies over the next 5 years are summarized below organized by our Strategic Canvas:

	Product/Service	**Business Function**
Information	**Leverage Vendor Past Performance Data to Identify Teaming Partners** The Federal Government utilizes the Contractor Performance Assessment Reporting System (CPARS) to maintain information on Prime Contractor performance. Vendor access to the ratings would aid in identifying Teaming partners that have a favorable rating within the government and are therefore more likely to win future business. This information is not currently publicly available, but is expected to become available as the result of the movement to government transparency.	• Sales/Business Development • Planning

	Assist Vendors in Identifying Subcontractors A major challenge for prime contractors is to quickly identify qualified subcontractors. A subcontractor database would provide information on subcontractor spending to determine which subcontractors have an existing relationship within a department, have high utilization rates with other primes and have experience within a particular area.	• Sales/Business Development • Marketing • Planning
	Assist Small Businesses Compete More Effectively Small businesses selling to government agencies have unique challenges, such as understanding procurement processes, project staffing, etc. INPUT could provide a package that would better meet the needs of small businesses.	• Sales/Business Development • Marketing
	Expand Coverage of New Segments INPUT will need to expand its traditional coverage in order to grow. Vendors in several segments not addressed by INPUT today would benefit from the types of services offered by INPUT if we expanded the content in its existing products to cover those segments.	• Sales/Business Development
	Technology Installation Base Intelligence Vendors have a need to understand the existing technology within a department. Traditionally this technology is purchased using BPA's and task orders therefore decreasing the transparency of this information for vendors. An offering with this information would aid vendors in focusing their sales efforts to a particular department or agency based on where their technology fits.	• Sales/Business Development • Marketing
	Tracking and Reporting on Legislation Offering The federal government frequently has specific rules and regulations attached or impacting to federal funding. When those rules and regulations change, it creates a period of uncertainty. INPUT could provide a service to vendors that would assist them understand the ramifications of changes in federal rules and regulations on their businesses.	• Sales/Business Development • Planning

Analysis	**Analysis Expansion for Capture Management** Vendors have a need for a deeper dive of INPUT's traditional product offerings. Specifically they need an expanded analytical offering to assist in the evaluation and capture process.	• Sales/Business Development • Planning
	Opportunities Rating System Offering Vendors have little time and resources to dedicate to all the government opportunities tracked by INPUT. An INPUT derived rating system on Opportunity reports would assist vendors in determining which opportunities their company should direct dollars and time towards.	• Sales/Business Development • Planning
	Vendor Intelligence Offering Vendors have a need to understand their competition. An offering providing information and analysis about industry competition would aid vendors in acquisition strategies and strategic planning efforts.	• Sales/Business Development • Planning • Marketing
Personalization	**Business Analytics Tools** Members within an organization have a differentiated set of needs. Member created dynamic analysis of INPUT content would allow users to determine what information is pertinent to his/her position and consolidate that information into a usable format such as PowerPoint.	• Sales/Business Development • Planning • Marketing
	Lead Generation Vendors have needs for contact identification outside of INPUT's current offering. A lead generation offering for personalized leads within an organization would allow members to provide a targeted list of contacts for INPUT to identify.	• Sales/Business Development
	Consulting Services Vendors have specialized needs not available within their organization. A specialized offering around Proposal writing and other vendor needs, as they become known, would provide INPUT as a one stop offering for vendors.	• Sales/Business Development • Planning

Community	**Social Networking** Vendors have limited time and resources to dedicate towards events for networking. An offering providing capabilities around Opportunities, Task Orders and Agency Profiles to promote collaboration on specific deals would assist in vendor Teaming needs.	• Sales/Business Development
	Advertising and Sponsorships Vendors have limited advertising dollars. Therefore, they need to focus advertising on their targeted audiences. Advertising areas available on Opportunities, Teaming Profiles, Research and Analysis (e.g., Buyers Guides) and emails would provide vendors an area to promote their company to a large network of peers and government but focused around very specific areas of interest.	• Sales/Business Development • Marketing
	Provide Opportunities for Consultants to Sell Services to INPUT Members There are many consultants and service providers who do not sell to government but rather to the vendors that sell to government. These consultants are eager to access the INPUT Network of government contractors. INPUT could provide those consultants opportunities to advertise on its Web site.	• Sales/Business Development • Planning
	INPUT University Members have a need for continuing market education. The INPUT University would provide training certification programs and continuing education as well as market education for new entrants.	• Human Resources • Sales/Business Development
Workflow	**Assist in Teaming Collaboration** Members have a need to collaborate among chosen subcontractors. The collaboration offering would provide members a secure environment to collaborate with other vendors of their choosing and post needed documents for sharing.	• Sales/Business Development

	Opportunity Management for Small Businesses Small businesses generally have unsophisticated sales and opportunity management tools. Many use INPUT today for this despite the fact that its capabilities are primitive in this regard. A set of lightweight sales management capabilities built into INPUT's content could address many of these needs and create a workflow opportunity for INPUT.	• Sales/Business Development

STATE & LOCAL VENDOR MARKET PLAN

(March 31, 2010)

I. SUMMARY

A. Market Description

The state and local government vendor (S&L Vendor) market consists of companies that sell products and related services to the 50 states, the District of Columbia, and the 89,000+ local governments throughout the U.S. Within this market today, INPUT addresses the sales, marketing and planning functions.

The market issues for vendors are as follows:

Market Issues
• The expanding role of the federal government in supporting and directing activities of state and local government.
• "Boom and bust" cyclical market due to restrictions on borrowing by state and local governments.
• Each government has its own budget calendar, budget processes, procurement rules and regulations, and technology governance leading to a fragmented market of vendors.
• Government buyers are risk averse making it hard to break into the market without an established partner.
• Understanding how your competitors' are pricing their products and services
• Finding the right government contact to talk to
• Effective and efficient processes for prioritizing prospect governments
• Managing the channel partners that sell your products
• Need to identify trends that will affect multiple governments so can sell same/similar solution many times

B. Target Markets and Segments

The targets S&L Vendor market are government contractors in the following markets and segments:

Existing Segments

Vendor Type	*Vendor Size*	*Function*
• Computer & Communications Services • Consulting & Business Services • IT & Electronic Products/Resellers	• Enterprise (>$200 million) • Mid-Market ($25 to $200 million) • Small Business (<$25 million)	• Executive/Planning/Partnering/ Acquisition • Marketing • Sales/Business Development

Future Segments

Vendor Type	*Vendor Size*	*Function*
• Engineering Services	• Enterprise (>$200 million) • Mid-Market ($25 to $200 million) • Small Business (<$25 million)	• Executive/Planning/Partnering/ Acquisition • Marketing • Sales/Business Development • Sales Support Operations
• Computer & Communications Services • Consulting & Business Services • IT & Electronic Products/Resellers	• Enterprise (>$200 million) • Mid-Market ($25 to $200 million) • Small Business (<$25 million)	• Human Resources • Sales Support Operations

C. Size of the Opportunity

Market sizing was accomplished by determining which products could be sold to each segment. The number of companies in each segment was multiplied by the estimated average annual subscription price of the products.

By number of companies:

	Computer & Communications Services	*IT & Electronics Products/Resellers*	*Engineering Services*	*Construction*	*Consulting & Business Services*	*Total*
Enterprise	253	343	33	467	544	2,232
Mid-Market	579	659	204	1,101	1,492	4,416
Small	5,926	7,430	6,272	15,113	25,257	60,230
Total	6,758	8,431	6,509	16,681	27,293	66,879

By Dollars (in millions):

	Computer & Communications Services	IT & Electronics Products/Resellers	Engineering Services	Construction	Consulting & Business Services	Total
Enterprise	$41	$55	$1	$14	$89	$202
Mid-Market	32	37	3	20	84	178
Small	131	168	52	125	560	1,038
Total	206	261	57	160	734	$1,419

D. Types of Products/Services Provided

The S&L Vendor Market needs are as follows:

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	New Offerings	Business Function
Information	**Assist Vendors in Identifying Contract Channels for Their Products** Many state and local governments purchase products and services through centralized contract vehicles established by states, called Term Contracts. INPUT could help vendors identify major contract vehicles used by state and local governments that can be used by vendors to sell their products and services.	• Sales/Business Development
	Assist Vendors with Competitive Pricing and Benchmarking Vendors selling to state and local governments need to establish prices that are competitive in order to be successful. With the availability of pricing data provided by states through many of their term contracts, INPUT could provide products that assist vendors in benchmarking their pricing vs. competitors across states by aggregating the pricing data and providing analytical tools and services to assist them.	• Sales/Business Development
	Assist Vendors Identify Government Contacts and Reporting Relationships State and local governments are not organized the same way. There is much variation between governments regarding which agencies and departments manage major programs. INPUT could provide a service that identifies those program managers and agencies responsible for major programs that require large investments in technology to support them.	• Marketing • Sales/Business Development

	Assist Non-Technology Vendors Identify State and Local Government Sales Opportunities INPUT currently serves only technology vendors that sell to state and local governments. INPUT could expand its coverage of the market via existing information products to assist non-technology vendors.	• Marketing • Planning • Sales/Business Development
	Assist Vendors Prioritize State and Local Government Prospects more effectively. Many state and local sales professionals prioritize their government prospects by population because that data is easy to obtain, yet there are many ways to make prospect prioritization more effective though currently doing so is difficult: • The federal government produces many data sets about state and local governments that could be integrated in various ways to identify high-potential prospects. For example, identifying local governments that are hiring law enforcement officers will need communications devices for those officers. INPUT could provide products that integrate these federal data sets. • State and local governments are becoming increasing transparent and publishing information about spending and contracts online. However, this data is currently in "silos" and cannot easily be compared across governments. If the data were normalized and presented in a user-friendly format, vendors could learn how much governments are spending on products and services similar to those they offer and which companies are providing those products and services. INPUT could provide products that normalize and aggregate transparency data. • A wide variety of technology environments exist within the state and local government market. Vendors need to understand those environments to and the enterprise technology standards adopted by governments in order to effectively prioritize prospects. INPUT could provide products that describe the technology environments within state and local government agencies and the technology standards that have been adopted.	• Sales/Business Development
	Assist Small Businesses Compete More Effectively Small businesses selling to state and local governments have unique challenges, such as brand awareness, project staffing, etc. INPUT could provide a package that would better meet the needs of small businesses.	• Marketing • Sales/Business Development
Analysis	**Assist Vendors Better Understand their Competition** Vendors that know where their competition is installed, what contract vehicles they are using, and when those contracts are going to be re-competed have the best chance to unseat their competition. INPUT could provide analysis that identifies this type of analysis to assist vendors.	• Planning • Sales/Business Development

	Assist Vendors Understand the Impact of Federal Laws, Rules, and Regulations on the State and Local Government Market Nearly 30% of all state budgets are comprised of federal funding distributed through federal assistance programs to help state and local governments with specific segments, such as health care, social services, law enforcement, etc. The federal government frequently has specific rules and regulations attached to this funding. When those rules and regulations change, it creates a period of uncertainty. INPUT could provide a service to vendors that would assist them understand the ramifications of changes in federal rules and regulations on their businesses.	• Planning • Marketing
	Help Vendors Identify State and Local Government Market Sales and Marketing Best Practices INPUT has unique insights based on our close relationships with vendors and government as a trusted 3rd-party advisor. INPUT could provide analysis on which processes and methodologies are most effective for companies that sell to state and local governments.	• Human Resources • Marketing • Sales/Business Development
Personalization	**Assist Vendors Better Qualify INPUT Opportunities** Many vendors have to spend a lot of time doing additional qualification on the opportunities in INPUT's databases. INPUT could provide customized consulting services in which INPUT would conduct those additional qualification steps.	• Sales/Business Development
	Assist Vendors Implement Sales and Marketing Best Practices A natural follow-on to best practices analysis would be to develop customized consulting to help companies implement those best practices. INPUT could offer customized consulting services to assist vendors implement sales and marketing best practices for the state and local government market.	• Human Resources • Marketing • Planning • Sales/Business Development
	Assist Vendors Use Data About the Market More Effectively The state and local government market is diverse and fragmented and information about the market is scattered across several federal, state, and local government Web sites. Therefore, it is difficult for vendors to have a strong understanding of the market and the opportunities it presents. If INPUT collects and aggregates this data, it could provide business intelligence tools and analytical tools on its Web site that would assist vendors interact with the data in a way that is specific to their products and services.	• Marketing • Planning • Sales/Business Development
Community	**Provide Vendors Advertising and/or Sponsorship Opportunities** Vendors need to reach out to potential teaming partners and government prospects in order to make those targets aware of the products and services. Because INPUT has a large vendor and government networks, it could provide advertising and/or sponsorship opportunities on its Web site.	• Marketing

	Help Vendors Field a More Effective and Qualified Sales Force Vendors are constantly looking for highly qualified and knowledgeable sales people. INPUT could provide market training and education courses that certify graduates and provide continuing education credits	• Human Resources • Sales/Business Development
	Provide Opportunities for Consultants to Sell Services to INPUT's Members There are many consultants and service providers who do not sell to government but rather to the vendors that sell to government. These consultants are eager to access the INPUT Network of government contractors. INPUT could provide those consultants opportunities to advertise on its Web site.	• Human Resources • Marketing • Sales/Business Development
Workflow	**Assist Product Companies Better Manage the Leads They Distribute to Channel Partners** Product companies often have inefficient or highly manual processes for managing the leads they forward to their channel partners, making it difficult for those product companies to manage follow-up activities or know which channel partners are most effective. INPUT could provide a Web-based application to assist product companies distribute and manage the leads they send to their channel partners.	• Sales/Business Development
	Assist Vendors Manage the State and Local Government Procurement Registration Processes There are over 89,000 state and local governments all with their own procurement registration processes and procedures. INPUT could provide a Web-based application that assists vendors manage these highly manual, form-based processes.	• Sales/Business Development • Sales support operations

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Briefing Notes:
A Summary of Best Practice Approaches in Strategic Planning Processes

Introduction

While Lou Gerstner, past Chairman and CEO of IBM, was orchestrating IBM's turnaround in the 1990s, he famously commented that it doesn't matter what your strategy is, as long as you have one.[1] Being clear about an organization's strategic goals provides focus and helps managers understand how to direct their resources and make decisions on a daily basis. At the same time, strategic plans themselves do not necessarily result in a successfully implemented strategy. Consider President Dwight Eisenhower's military wisdom, "plans are nothing. Planning is everything." Though he never found much use for the plans themselves, the planning process was indispensable.[2]

There is no single "best practice" for how to do successful strategic planning. The timing and process will differ depending on industry, market pressures, and the size and culture of the business. In the past, a five to ten year strategy time horizon was common, yet today we see how difficult it is to plan beyond two or three years. As eBay CEO Meg Whitman said, "companies used to have strategy meetings once a year. Now we have them every two weeks."[3]

Strategic planning is typically oriented to a particular organization's circumstances at a particular time in its history. However, there are a number of proven and effective practices and methodologies that can be adapted for virtually any business. This document provides a brief overview of current "best practices" and considerations for managers to explore throughout the strategic planning process.

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[1] Gerstner, Lou. *Who Says Elephants Can't Dance?* New York: Harper Collins, 2002.
[2] Bonney, Joseph. "Learning from Eisenhower," *Commonwealth Business Media Journal of Commerce*, September 2004.
[3] Sanghera, Sathnam. "You Should Be Bonkers in a Bonkers Time!" Financial Times 23 Sept. 2003, London Edition: Features p16.

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Best Practices

The American Quality and Productivity Center's International Benchmarking Clearinghouse analyzed the strategic planning processes of 45 top companies, including Alcoa, Deere & Company, Frito-Lay, Shell International Petroleum Company, Whirlpool and Xerox Corporation. The following is a summary of many of the best practices employed by these highly successful corporations, as revealed in the Clearinghouse's 1996 strategy study.

1. Stretch goals drive strategic out-of-the-box thinking. While different organizations use different parameters, all of the best practice companies set targets that required a shift from business as usual.
2. Their planning processes are evolving and flexible. A "continuous improvement" philosophy guides the planning-process design.
3. Communication of the strategic plan is a formal and significant element of the process and it is viewed as a measure of quality planning.
4. Planners emphasize action plans and strategic thinking. Planners expect strategic thinking to take place primarily at the business unit level.
5. The planners' distinction between strategic planning and business planning is increasingly blurred. As the cycle time between strategic plans shortens, business planning is done within the context of a strong corporate vision or culture, even if a corporate strategy is not articulated.
6. The role of strategic planning as a key element in the management system is explicitly recognized through strong links to other elements of the management system (e.g., strong human resources and organizational structures).
7. Documentation of strategic thinking is stressed.
8. A single core competence or capability is not the driver of strategic planning. Instead, the basis for competitive advantage and new business development is based on diverse competencies.
9. Approaches to planning processes and planning system designs vary greatly. Although approaches vary, the framework of issue and option generation, prioritization, review and feedback continues to have universal relevance.[4]

[4] APQC. Strategic Planning: Final Report. Houston, TX: American Productivity & Quality Center, 1996.

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Strategy As Ecology

Viewing the business environment as an ecosystem can be a useful analogy when thinking about strategic planning. Much like organisms in a biological ecosystem, businesses also form complex interdependent networks, where the health of one organization can affect the well-being of the entire system. In assessing the environment, it is helpful to consider an organization's business function in the ecology. In their article "Strategy as Ecology"[5] authors Marco Iansiti and Roy Levien define a set of roles to assess how different organizations function in their particular ecosystem. They include:

- *Keystone (Value Dominator)*—The business is at the center of a complex and dynamic ecosystem. It must manage available resources, respond to crises, and share wealth to get the best sustainable performance from the ecosystem. eBay, the keystone of a multibillion dollar online sales industry, is an example.
- *Physical Dominator*—If a business is part of a complex network in a stable and mature industry, it can become a Physical Dominator, which absorbs and controls the ecosystem's components until it becomes its own self contained ecosystem. Though few true Physical Dominators exist in the modern business world, large oil companies, like Royal Dutch Shell and BP, are examples. They control products through drilling, refinement, and distribution.[6]
- *Niche*—If a business holds a lesser position in an erratic industry, a specific niche may be the best strategy. By focusing on a highly specialized industry function, a firm can develop the expertise to differentiate from competitors and fill a particular need in a volatile industry. For example, small "heart hospitals" providing focused cardiovascular care have recently sprung up all over the United States
- *Commodity*—In the case of a commodity business, strategy beyond efficiency may not be relevant to an ecosystem setting. However, certain actions may be necessary to ensure that the ecosystem (and client base) thrives. Corn syrup producers in the snack food industry supply a commodity.

To illustrate the ecosystem idea consider the following: a large company such as Microsoft depends on a network of retailers, resellers, distributors, systems integrators, and outsourced programmers, all of which in turn depend on Microsoft. In this example, Microsoft is the keystone of the ecosystem, an academic reseller would fill a niche position, and a CD manufacturer would fill a commodity position.

Thinking about strategy as ecology can help a business make decisions that positively affect the network it depends on. Viewing networks as complex

---

[5] Iansiti, Marco, and Roy Levien. "Strategy As Ecology," *Harvard Business Review*, March 2004.
[6] Berkman, Leslie. "Gas Hikes: Plenty of Blame to Go Around." *The Press Enterprise* 23 May 1999: A Section: p1.

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interdependent ecologies ultimately allows business leaders to choose a course of action that benefits their own interests and the well-being of their ecosystem.

Strategic Planning: A Participatory Process

Srategy expert Gary Hamel looks at strategy as a revolution. He believes that a strict top-down approach to the strategic planning process leads to rigidity and an inability to strategize appropriately within a firm's ever-evolving environment. Today, successful strategic planners include a breadth of people in their planning processes. Examples include:

- *AT&T's Transmission Systems Business Unit*—AT&T asks its employees to review the organization's strategic plan and works with customer focus groups to infuse the client focus.
- *IBM's Research Unit*—IBM works with internal business units, its business partners and external customers to fine-tune its strategic planning.
- *Brown University*—Brown took an overall participatory approach to its strategic planning process, which planners designed to be as open and inclusive as possible. They used a number of tools to increase communications among employees, faculty and students (e.g., memos, announcements and a Website).
- *Nokia*—Nokia has developed a participatory strategic planning process that includes feedback from thousands of employees.
- *The World Bank*—The World Bank encourages recipients of financing to include participatory strategic planning in their business plans.

Adding a broad range of perspectives into the planning process allows firms to capture the expertise of front-line and implementation-level staff while also capturing crucial competitor and client information from customers and suppliers. Strategic planning should not be a democratic process, but carefully designed participation and periodic input from all levels of company staff is valuable to the planning process.

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Strategic Narratives

Strategic planning for most companies evolves as a complex process of quantitative analysis, assessments about the business environment, intense conversations, and difficult tradeoffs that often leads to nothing more than a bulleted list of strategies. The complexity of the process and the assumptions that underlie the strategy become lost or live only in the heads of the executives that participated in the planning process. As a result, the strategy can seem ungrounded, abstract and even difficult for employees to understand. Take the following strategies from a real company as an example:

- Reduce overhead and high costs
- Expedite product development and line extensions
- Make customer service more responsive
- Increase market share by 15%
- Increase profits by 25%

This strategy could be applied to virtually any enterprise. The bullets communicate relationships and priorities on the most basic level, and while they may contain a vision, they ignore the complex processes and organization needed to actually realize these aims.

In his article "Strategic Stories: How 3M is Rewriting Business Planning," author Gordon Shaw describes how planners at the 3M corporation use *strategic narratives* to communicate strategy. To describe strategic problems and objectives, they create a story structured like a fiction piece, with a *setting, dramatic conflict* and *resolution.*

Framing strategy in this manner is clear, specific, and even entertaining. In addition, information communicated in story form has a much higher absorption rate than bulleted lists. A story can help people understand organizational strategy throughout the organization. With a shared understanding of the strategy, staff can use it to guide their daily decision-making in accordance with it.[7]

[7] Shaw, Gordon et al. "Strategic Stories: How 3M is Rewriting Business Planning," *Harvard Business Review*, May–June 1998.

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The Balanced Scorecard Approach

The balanced scorecard is a multifaceted evaluation tool that combines both financial and non-financial factors to measure company performance. Based on their experience, Robert Kaplan and David Norton developed the approach around the idea that impressive financial returns are only one of the important factors to consider when assessing the success of a business.

A balanced scorecard evaluation should take into account a range of objectives in different categories, including both leading and lagging indicators. A sample scorecard is provided below.

Strategic Objectives	Strategic Measures
Financial	
Improve returns	Return on investment
Broaden revenue mix	Revenue growth, revenue Mix
Reduce cost structure	Service cost change
Customer	
Increase satisfaction with our products and people	Share of Segment, Depth of Relationship
Increase after sale satisfaction	Customer retention, satisfaction survey
Internal	
Understand our Customers	Customer satisfaction score
Create innovative products	New product revenue, product development cycle
Cross-sell products	Cross-sell ratio, hours with customers
Shift Customers to Cost-Effective Channels	Channel mix change
Minimize operational problems	Service error rate
Responsive service	Request for fulfillment time
Learning	
Develop strategic skills	Strategic job coverage ratio
Provide strategic information	Strategic information availability ratio
Align personal goals	Employee satisfaction, personal goals alignment, percentage revenue per employee

A balanced set of criteria such as the ones above paint a more complete picture of a company's performance. Each of the metrics would include specific quantitative targets to help an organization measure its progress against established goals
(e.g., increase new product revenue by 25%). Beyond strategic planning, another common application of the balanced scorecard approach today is in determining

executive compensation. Companies are beginning to assess executives' performance by linking their compensation directly to stated strategic goals.[8]

Looking to Core Competencies as Key Success Factors

John Kotter and James Heskett spent over 11 years studying the performance of 200 companies. In their book, *Corporate Culture and Performance* (1992), the authors found that high-performing firms shared a number of similarities. These included a strong culture, targeted strategies appropriate for specific lines of business, the ability to adapt quickly within a changing environment and a focus on core competencies to deliver value to their stakeholders. In their article, *The Core Competence of the Corporation*,[9] C.K. Prahalad and Gary Hamel explain that core competencies are those strategically important variables within an organization that are durable, difficult to duplicate and offer significant customer value. Look first to the organization's product and service offerings and work backward to uncover where your firm's core competencies rest.

Maintain an Overall Customer Focus: The Wal-Mart Experience

As a member of Fortune's top ten list of America's Most Admired Companies, Wal-Mart attributes its vast success to its ability to focus on customer needs. David Glass, Director and former CEO of Wal-Mart Stores, Inc., said, "We have made it to where we are today by appreciating and satisfying our customers and associates—they are the people who make the difference."[10] Wal-Mart focuses not only on its customers' needs, but also encourages participatory involvement of its staff. Further, its information technology strategy involves a sophisticated data mining plan. Randy Mott, former Senior Vice President and Chief Information Officer explained, "Our investment in data mining is part of Wal-Mart's drive to deliver what its customers want: the right item, at the right store, at the right time and at the right price."[11]

For more information on this or related materials, contact CFAR at center@cfar.com or 215-320-3200, or visit our website at http://www.cfar.com

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[8] Kaplan, Robert S. and David P Norton. *The Balanced Scorecard*. Boston: *Harvard Business School Press*, 1996.

[9] Hamel, G., and C.K. Prahalad. "The Core Competence of the Corporation," *Harvard Business Review*, May – June 1990.

[10] Press Release, "Wal-Mart Achieves Top Ten Ranking in Fortune's List of America's Most Admired Companies," Bentonville, *AR*, February 1999.

[11] Press Release, "Wal-Mart Deploys NeoVista Decision Series Data Mining Software in its Production Decision Support Environment," Chicago, IL, May 1997.

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FRIDAY, DECEMBER 07, 2007

Strategic Planning Best Practices

Getting ready for your annual strategic planning meeting? Here's a quick listing of strategic planning best practices:

- **Pick Your Strategic Planning Team.** Bring together a small team (six to ten people) of company leaders and managers who represent every area of the company. Don't pick based on seniority - pick based on contribution to the thought process.
- **Schedule an Off-Site Strategic Planning Meeting.** Minimize distractions and maximize focus, conduct your strategic planning session away from the office. A well-run strategic planning retreat should take two days, three at the most. Don't schedule it so tight that you don't leave room for a little fun.
- **Get Commitment From Your Strategic Planning Team.** You can't do it alone. If your management team doesn't buy into the plan, it won't happen.
- **Use An Outside Facilitiator.** The CEO should serve as the strategic plan's "spiritual leader," but he/she should not lead the planning retreat. Participate actively, but don't dominate the session. To lead the session, hire a professionally trained facilitator who has no emotional investment in the outcome of the plan. An impartial third party can concentrate on the process rather than the end result and ask the tough questions that others might fear to ask.
- **Set Goals That Lead.** To have any chance at successful execution, your plan must clearly articulate goals, action steps, responsibilities, accountabilities and specific deadlines.
- **Don't Put The Strategic Plan in a Binder, On A Shelf.** Good strategic plans are fluid, not rigid and unbending. They allow you to adapt to changes in the marketplace. Your goals won't change very often, but your initiatives and projects will.
- **The Strategic Planning Team Writes The Plan.** The facilitator merely serves as a meeting guide to keep everyone on track.
- **Commit to The Plan.** Before closing the strategic planning session, get team member "buy-in" pledge their commitment in writing to the plan and its successful execution. When you walk out of the room everyone must fully support the plan—even though they may not agree with everything in it.
- **Review the Plan Regularly.** Review the strategic plan for

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performance achievement no less than quarterly and as often as monthly or weekly. Focus on individual accountability for results and have clear and compelling consequences for unapproved or missed deadlines.

(Hat tip to TEC Online for even more strategic planning best practices)

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Enterprise Strategic Briefing

UVA Team

Jeff Baker
Stacy Bergert
Meredith Dounias
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July 10, 2008

Team of Experienced Consultants

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Phase I – Industry & Strategy Focused

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Phase I (To-Date) Activities
Interviews INPUT Management Potential Customers
Analysis Industry Analysis INPUT Documents & Data INPUT Product Training & Usage Competitor Research & Assessments
Framework Assessments Porter's Five Forces SWOT Analysis
Collaboration & Brainstorming Teamwork Consultations/Q&A with UVA Faculty

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Phase II – Initiative Focused

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Phase II (Upcoming) Activities
Interviews & Surveys INPUT Customers Potential Customers
Research Industry Competitive
Business Case Rationale Financial Impacts Technology Plan Organization Implications
Collaboration Team discussions & brainstorming Consultations/Q&A with UVA Faculty

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Industry Squeezed from All Sides

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Competitive Map: Threat of "Swarm" Eroding Pricing Power

INPUT

	Federal Opportunities	State & Local Opportunities	Contracts & Task Orders (FOIA)	Organizations & Contacts	Analyst Research	Teaming	Guidance on Government Sales
INPUT	✓	✓	✓	✓	✓	✓	✓
Major Competitors							
FedSources	✓	✓	✓	✓	✓	—	✓
Onvia	✓	✓	—	✓	✓	—	✓
The "Swarm"							
BidNet †	✓	✓	✓	—	—	—	—
Carroll Publishing	—	—	—	✓	—	—	—
Centurion Research	✓	—	—	—	✓	—	—
Eagle Eye Publishing	✓	✓	—	—	—	—	—
ePipeline †	✓	✓	✓	✓	✓	—	✓
Epylon	—	✓	—	—	—	—	—
FBO Daily	✓	—	—	—	—	—	—
fedXccel	✓	—	—	—	—	—	—
GovernmentBids.com †	✓	✓	—	—	—	—	✓
GovContracts	✓	—	—	—	—	—	—
GovDirections	✓	✓	—	—	—	—	—
Leadership Directories	—	—	—	✓	—	—	—
Free Substitutes							
FedBizOpps	✓	—	—	—	—	—	—
FPDS-NG	—	—	✓	—	—	—	—
USAspending.gov	—	—	✓	—	—	—	—
Subcontracting Network	—	—	—	—	—	✓	—
Subcontracting Opportunities Directory	—	—	—	—	—	✓	—
Business.gov	—	—	—	—	—	—	✓

† Mediagrif subsidiary

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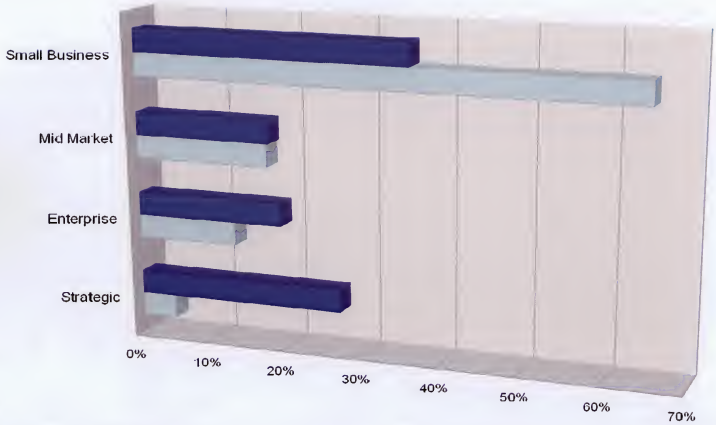
Small Business is Largest Segment By



	Strategic	Enterprise	Mid Market	Small Business
Contract Value	27%	19%	18%	36%
# of Organizations	4%	13%	18%	65%

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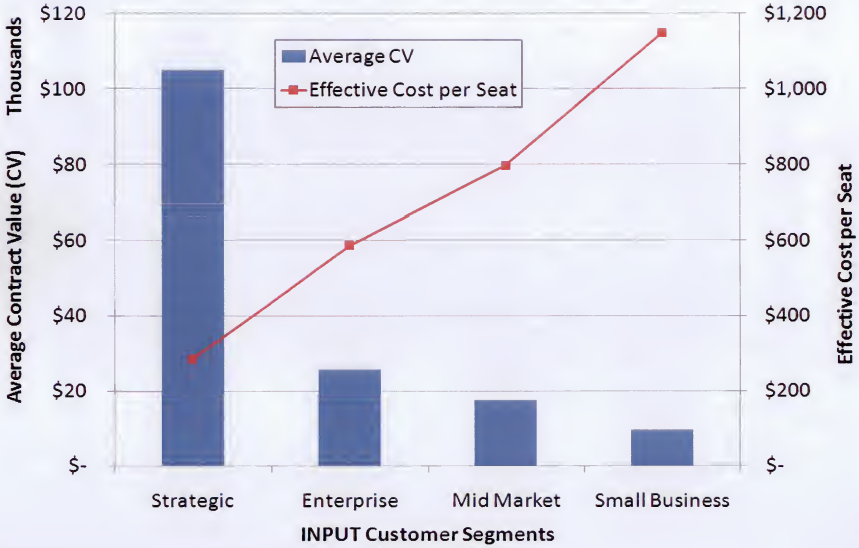
But Small Business Pays Most Per Seat

INPUT



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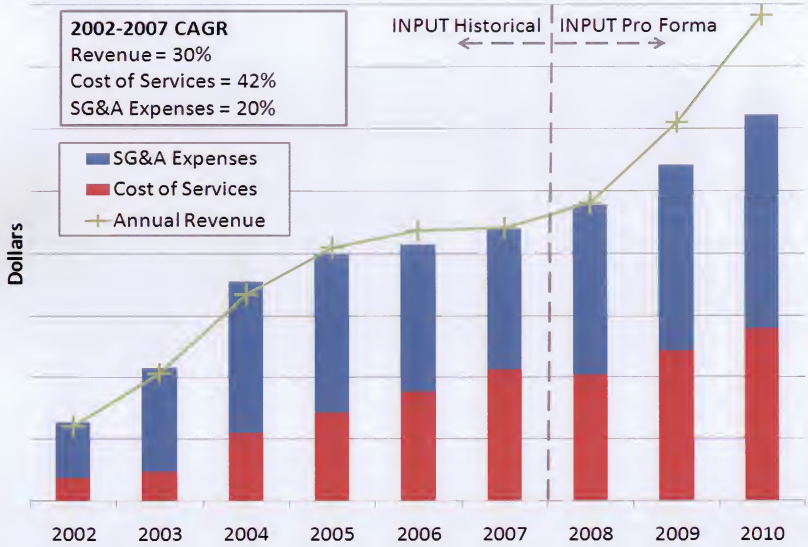
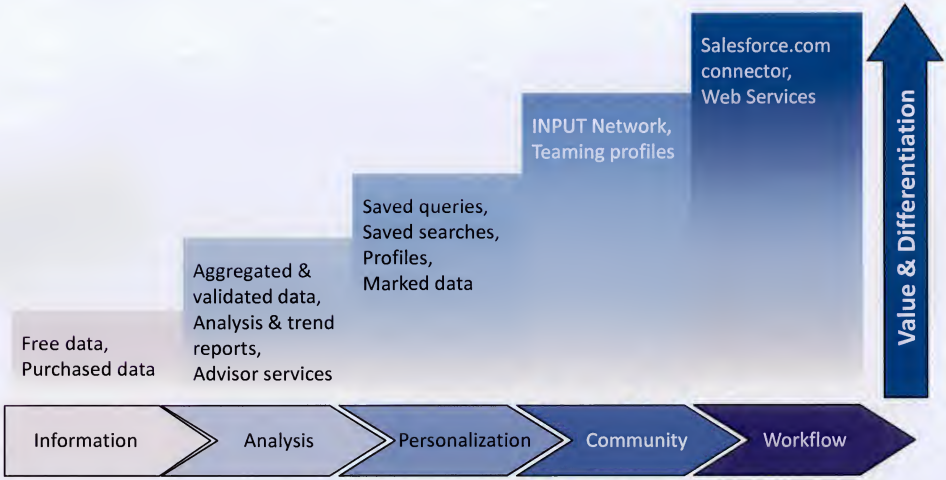
Cost of Services Increasing Faster



Value Builds Across the Service Spectrum

INPUT



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Opportunities Exist in Uncharted

INPUT

	Helpful	Harmful
Internal	• Known brand • Data aggregation & analysis • Salesforce.com integration • Innovation **Strengths**	• High overhead • No cohesive marketing strategy • Product pricing • Financing strategy • Cannibalization risk to core product **Weaknesses**
External	• New or under-served government procurement verticals • Target market not being served • Product personalization • Selling side of procurement **Opportunities**	• Free substitutes • Low barriers to entry • Fast following competitor **Threats**

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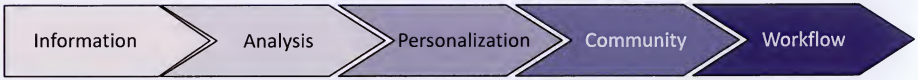
Product Shift Up The Value Chain

INPUT



- Mitigate the risk of substitutes and low-cost competitors
- Importance of revising the pricing model for small businesses
- Address the needs of small businesses
- Increase customer switching costs
- Look to Government procurement resellers

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Possible Up the Value Chain Ideas

INPUT

- *A "post-win" marketplace:* mediate connections between incumbents and potential subcontractors. This leverages INPUT's knowledge of the market and its capabilities in analysis and technology and expands seller side to vendors.
- *INPUT certified categorizations:* to tie in with exclusivity and encourage updated profiles. Allow the customers to choose in which areas / business / expertise they wish to be denoted as "certified." Once certified, the company becomes available for higher rating on team/market searches.

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Appendix B
Survey Feedback

Content

INPUT

- Methodology
- Results
  - Overall strategic planning process
  - Meeting logistics
  - Areas of improvement

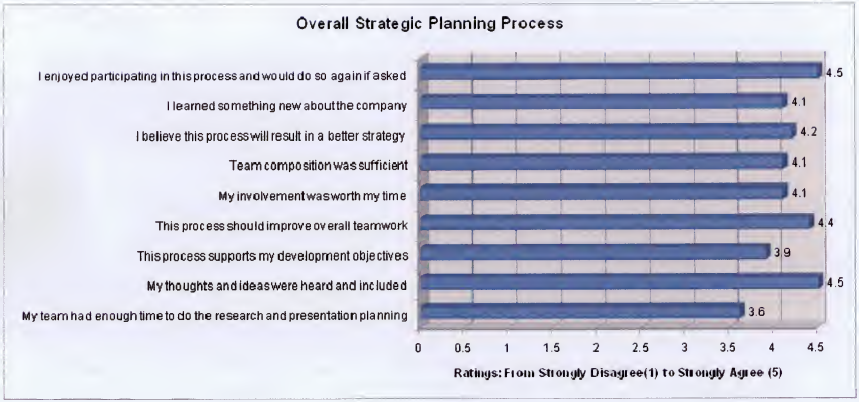
Methodology

INPUT

- Online, anonymous survey
- Sent to 49 team members
  - 42 responses total
  - 86% response rate

Overall Strategic Planning Process

INPUT



Overall Process – Highlights

INPUT

Percentage of strategic planning team members who agree or strongly agree that the strategic planning process:

- Supports their development objectives: 88%
- Should improve overall teamwork: 98%
- Was worth their time: 93%
- Will result in a better strategy: 95%
- Learned something new about the company: 81%
- Enjoyed participating and would do so again if asked: 95%

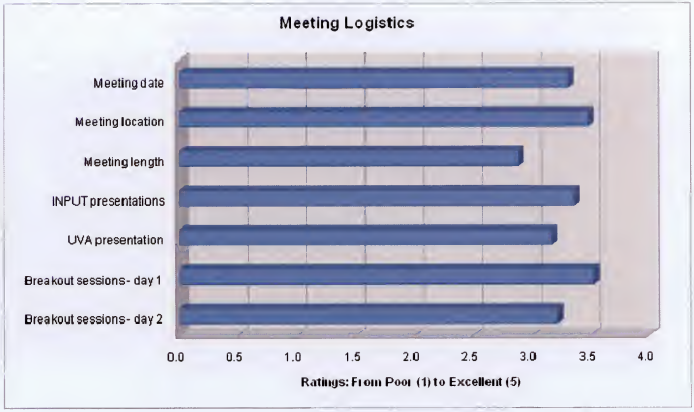
Overall Process – Sample Comments

INPUT

- *"I think the value of involving people is more in brainstorming and inclusion rather than focused strategic or business planning. Presentation of cash flow was great. We need to teach more about the mechanics of our business and ROI discipline."*
- *"I really enjoyed this process and was very happy to participate. It is always good to work with employees that I don't normally spend a time with. It also helped give me some more externally focused perspectives."*
- *"The process made the employees to think about the best of the company rather than their individual stovepipes."*
- *"Need to get more people involved. Many highly intelligent folks left out of process. Few folks did very little as far as participation."*
- *"Not enough 'research' during Phase 1. Some but not all of the teams fell back into brainstorming vs. real research. Next time we should focus on researching and understanding market problems and pains and forces, and much less time on the 'product' perspective. Many of the people involved in our Strategic Planning are not equipped (because of lack of training, skill or research) to translate market problems into solutions aka products."*

Meeting Logistics

INPUT



Meeting Logistics – Sample Comments

INPUT

- *"I think the breakout sessions were the most useful part - it allowed for great brainstorming and great ideas to come from it."*
- *"I prefer having it in the office, because you can have some time to check in to ensure there are no issues. Day one was a bit long, but it seemed longer because many participants worked many late nights during the week to complete planning tasks and regular job functions."*
- *"I think 12 hours the first day was a bit much. I noticed a decline in energy and focus after dinner as people were tired and wanting to get home to their families. I think something as important as strategic planning should be done with full focus, and if the sessions were 8 hours for 2 days or even shorter sessions spread over 3 days, I believe productivity and energy levels could have been higher."*
- *"Must coordinate so that we don't have other sales meetings that will take us away from sales attainment."*
- *"Having the research due end of month, end of quarter was not ideal. With coaching and more direction, the presentations will be better next year. It is difficult to rate the merits of ideas you don't understand. When so many ideas are thrown out, you lose track of what the ideas were. Each idea should be ranked at the time of presentation."*

Areas for Improvement – Sample Comments

INPUT

Team assignment & timing

- *"Differentiate the breakout teams a little more so that opinions from as many different sides of the company are represented."*
- *"Space out the process more to give people more time to prepare. Try and limit participation of each individual to one team versus multiple teams."*
- *"Limit presentation time, give more time to research and prepare and limit participation to one team since several people were in two teams. We should do a short session to close the loop so we can see which ideas make it to top priorities and implementation. Perhaps even have a Project Manager on the strategic planning project to make sure that we follow up on ideas and action items."*

Presentations

- *"Have the research presentations shorter. Might be interesting 1 year to skip the entire research session and look at previous year's ideas and vote on those. Why re-create the wheel?"*

Training/coaching/directions

- *"More direction on exactly what you want; example: Scoring the top 5... Everyone's interpretation was different on how to score. Would get better results if everyone followed the same rules. Suggest giving each team an outline/spread sheet so all we have to do is fill in the blanks. It would not only give you better results it would give an immediate picture vs. trying to figure it all out later."*
- *"We may want more insight/structure into revenue forecasting; most numbers were very entertaining."*

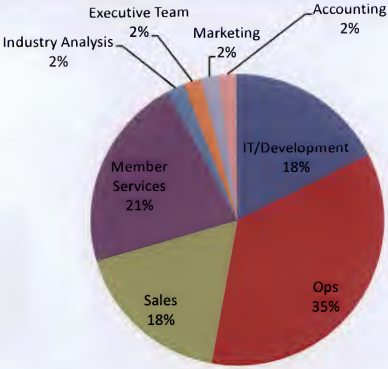
Others

- *"Expose key people just below the executive level to more of the closed-door executive discussions to learn from their thought process and decision-making. Keep central list of all ideas proposed in previous years and ask everyone to review them before heading into the meeting."*

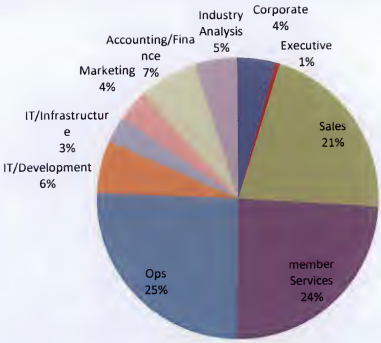
Appendix C Planning Participants

Strategic Plan Participants

INPUT



Strategic Planning Participants
# of Associates 51



INPUT Associates Participants
Total INPUT Associates

Action Items from our LRP Meeting.

Action Items:

1. AB to develop a concept for an INPUT Customer Advisory Board
2. DS to communicate "cease and desist" order to ePipeline
3. ET/CC- Look at INPUT databases and determine how to create new vertical views and technology views that can compete with specialist vendors
4. DP- Find out how much business Fed Sources does in consulting
5. ML- Get our grant info into profiles and S&L Market Analysis
6. TR- Look at bid notification services market opportunity, particularly in Transportation
7. MC- Look at e-Learning (for procurement) as a market opportunity
8. TR- Define plan for a Contacts Database
9. MC- Look at the market opportunity in the Healthcare IT sector
10. KP/CC- Investigate cross-cutting (reusing) existing data already on hand in new ways
11. PS/JK- Establish a group that meets monthly or quarterly to discuss new market development
12. DP- Review multi-levels of support and training option & power user concept
13. KS- Find out how much of Macromedia and Gartner sales are online
14. BY & BT- Determine if Hoovers' freelancers a majority or minority
15. BY & BT- Look into ISO certification
16. BY & BT- Recommend how INPUT should perform quality assurance
17. BY & BT- Suggest ideas for cross-training with different organizations
18. PS/JC- Examine Gartner from a competitive standpoint
19. CS/MF- Examine D&B from a quality standpoint
20. TC/AH- Examine Salesforce.com, Harte Hanks and CoStar to determine why they are growing at attractive rates
21. KP- reassemble LRP Buyers workgroup in 1 month to continue discussion
22. KP- Operations to produce process flowcharts of Procurement and Grant Solicitation/Award processes
23. KP- Determine the percentage of hotline calls that involve requests for Contact information
24. DS- investigate and recommend by YE2003 SixSigma, ISO9000 or similar course of action
25. MC/KP- investigate 3rd party content providers

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INPUT

MEMORANDUM

DATE: August 14, 2003

TO: Peter Cunningham, David Heinemann

FROM: Doug Strahan

SUBJECT: E&Y Acceleration Session – 6/11/03

CC: Kevin Plexico

Notes from the meeting:

1) Market – Why Federal IT? Also, communicate how many vendors are in our target market
2) Gov't Buyer – Mike Cromwell estimate the gov't custom research market to be $3-4 Billion. He mentioned a couple vendors…Westat, Macro, and ABD.
3) Incorporate Buyers Buy / Sellers Sell message….but clearly indicate this is not an online marketplace play.
4) GSA Schedule – Rick Garvin asked why we don't work in this area.
5) INPUT should be positioned as a Portal.
6) Pricing – recommended we value price to gain the appropriate share of wallet.
7) FSI – Comments:
    a. Least attractive / strategic acq. target.
    b. Look close at the renewal rates.
    c. People are the greatest asset – more Sr. with Access to Gov't.
    d. Cost – energy and time to acquire and integrate
    e. Data integration – don't underestimate the issues and costs associated with this process.
    f. Breakdown the elements of value – the software platform, easily replicated data (FPDC) and Pre-RFP ops team (hard to replicate).
8) ePipeline – Comments:
    a. Services (O&M) - $100B market
    b. A lot of recurring services vs. project oriented (IT)
9) Scale Researchers – with Technology (Rick Garvin)
10) Prod. Development – # of new products – "need to introduce" vs. "want to introduce"
11) Capture Management
    a. Software not part of our core competency
    b. Saleforce.com strategy – can be purchased without the IT Dept. (key to sales cycle).

12) Organization – Need to more clearly define and communicate our organization structure. Executive ranks are thin. Who is responsible for….Bus Dev, Operations, Product Mgmt, Sales, Software, etc.

13) Capital needs – linked to time, speed and distance objectives for business. For example:

    a. Current business – CF Ops (what are the risks)
    b. Acquisition – Need $ (what are the risks)
    c. Accelerate growth – Buyer Mkt, International – Need more $
    d. Technology needs – scalable platform, productivity needs, etc. – more $

14) Telling our story – get the investors attention, make it easy to understand:

    a. Vision (focus) – what will it take to go from $10 to $20 M, and from $20 M to $50 M.
    b. Need a roadmap – market entry / product launch sequence?
    c. Growth inside core business vs. outside core business
    d. Demonstrate Momentum – meet or beat the numbers,
    e. Many companies hit the wall at $10 M – the organization structure must be setup for the future….finest hour vs. upside (mentality)
    f. Strategic – need expand…manage risk / reward.
    g. Organization – business units vs. functional
    h. Service vs. software business

15) What's Important to our success

    a. Recruiting – but it is decentralized….should it be?
    b. Product Management – but it is three layers from PAC?

16) Challenges – build our own house vs. acquire companies. Can we do both? Usually capital is raised for one or the other, not both.

17) Acquisition – must have integration plan and capacity to acquire. Is it a strategic necessity to acquire the competition?

18) Five year vision – customer makeup and product sets?

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MEMORANDUM

DATE: July 26, 2003

TO: INPUT Executives and Managers

FROM: Peter Cunningham

SUBJECT: Dinner Meeting Notes 7/11/03

CC: Pat Cunningham, David Heinemann

Summary and Digest: here are my interpretations of what has been passed to me as a result of our dinner discussion. I have added comments or action items.

I have also included the verbatim comments from each of those managers who sent contributions. Some of the comments did not reflect the discussion but thoughts of participants after the meeting. They are valuable and included.

Please note that the verbatim comments are in reverse order of receipt, thus Meredith was first. Thanks Meredith; again you have led the way!

General

1. It is important to keep our commitments; we need to plan our work and then work our plan. This applies to hiring, reviews, tasks, schedules, etc. Today many issues "slip through the crack." The solution to this is simple; designate an "owner", with a clear goal/deliverable, and a date. **I think this was my point so I have to agree! It applies to all of us in everything we do. Managers must do this and to make their staff do it. It goes along with proper management of meetings.**
2. We need to speed up Opportunities Light to help sales to small companies. **Kevin; please report to the team where we are and when it will be ready.**
3. We should establish a Customer Care team. **Done**
4. We need better communications. Currently execs are spread too thin and need an EA. **This is in the plan.**
5. We should leverage more off-the-shelf technology rather than building it ourselves. **This is a good point we must consider. A Technology Planning task team may be appropriate. We are working on our Technology Platform plan this quarter.**
6. Sales managers must be present for the actual product planning meeting. **I agree; sales needs to be much more active and participatory.**

Planning and Product Management

1. When planning we need to look at what our previous plans were and to recognize progress (or lack thereof); for example looking at the great progress we have made this year since the last such meeting. **Agreed.**
2. To maximize benefit of the planning process we need improved templates as well as more review with management of the work conducted prior to the presentation. This would improve the quality and focus on the mandatory vs superfluous details. **Doug and**

Kevin; please ensure this happens before the next meeting. The Practice I think is specific about what should be covered but may need adjusting.

3. In our planning we must:

   a. Set our sights higher; own the market instead of earning pennies through lower priced products

   b. Focus on technology (context) as much as content (in our MDS product areas) to develop technological barriers and competitive advantage. Currently context is too much of an afterthought.

4. We need to get sales to participate more actively in product planning especially meetings. Sales need to help product teams and make sure ideas are aligned with customer needs and expectations. Sales see what the clients need and want, and that feedback is very crucial to the product planning process. **Doug and Don; this is something that you must make sure happens. It is notable that only one sales manager contributed to this particular process.**

5. We need a task team to develop a definition of the ecosystem within which we have our market. This ecosystem would encompass the tasks that our clients and potential clients perform and the ways in which we can address the needs and opportunities therein. This ecosystem would cover both buyer and seller tasks - the entire buying and selling process cycles.
   We should set this team up immediately; Kevin and Doug establish by August 2. I think we had volunteers already in Kevin, Mark and Chris. I would like to see a preliminary map and schedule for a more detailed map by August 30.

6. Together with the definition of the ecosystem we need:

   a. Database Architecture - what information (content) we need to collect and how to organize it.

   b. Technical Architecture – software and processes (context) that allow us to store and manipulate content and deliver value through meeting different needs. It will enable us to introduce new products without collecting more content; in other words to "slice and dice" content.

   We should probably try to do this in parallel with the definition of the ecosystem; I would like to see the Ecosystem Team come up with a roadmap of how these tasks should be accomplished. Can we do this by September 30?

   These Architectures are focused on our MDS products; more broadly the ecosystem will tell us what Software Products, Advisory Services, Events, Training and other products we can develop. It will be our market and define our opportunity.

7. After defining the ecosystem we need to look at the gaps in order to determine the products we should develop. **What we are developing here is our Planning function; eventually we will have someone responsible for coordinating this. In the meantime we must develop the framework and start the process ourselves.**

8. We should establish a forum and a medium to capture product ideas outside of the normal means. **This should be the same group looking at the ecosystem to identify products. This is the Innovation Council that has Chris and Lauren as founder members.**

9. We need to build products that are tightly integrated rather than products that grow up separately. **Again an area for the Innovation Council to consider and one for the whole company to bear in mind.**

10. We should gather as much data as possible. This data would easily allow INPUT to roll out new products, better slice and dice the data for more analytical reports, and allow INPUT to become "the source" for information. **Again an area for the Innovation Council to consider.**

11. We need a dedicated product management function. **We expect to announce this shortly.**

12. We need to produce a "product specification sheet." This document should identify market, customers, and product features. **I believe we have this. Kevin please check the Practices and point out the appropriate ones. If there is anything missing please add ASAP but I believe we have this covered. If so the problem is in the training and use of the practices.**

People Issues

1. We need to keep fun in our work – specifically a foosball table! **The table is on its way; more importantly the more successful we are while keeping our spirit alive and well the more fun we will have.**

2. We need to grow product managers (PMs) - training them to run the business--not just the products. We could start with better training on building business cases (complete with ROI) for new products (not just write product plans). PMs can be trained to think about the entire business systems approach (what does this mean for sales, finance, customer support, etc.). That way we'll be grooming the next generation management team. **The POW should definitely pick up on this suggestion from Lauren. We have expanded our PM horizons in a year but we have only just started. I have to say this applies to the executive level as well. Hopefully some of the new talent we are hiring will help us with business management.**

3. We need to balance our organization in its level of experience (e.g., more senior level knowledge and experience). Similarly, we need to bring in people who have participated in the activities we facilitate (e.g., sales/BD planning, development and capture management). **I agree; we are planning to do this at the executive level but we should be doing it throughout the company. We are also planning to do this in the Opportunities operations. This does not mean we have to always hire it full time; we have constantly talked about contracting with experts for part time or occasional work, establishing Advisory Boards, etc. Managers are empowered to look for this expertise and experience in this manner.**

4. We need more active participation in the company in the industry - continue to raise the level of participation in associations, committees, etc. **I agree.**

5. We should empower our middle management and general staff. Executive management provides oversight and the final approval, but the leg work can be done by various task teams for short lived tasks and committees for long term issues. **I agree; we have several task teams and committees set up now. As we need more we should identify them. Doug/Kevin; please make sure that each committee has a space on our Intranet for its use. It should probably include a chat room facility.**

6. We need a system whereby people can identify suggestions, complaints, issues, opportunities, etc. to the executive team. We should encourage solutions to any problems identified rather than just complaints. **We should have an open environment where any staff member can feel free to express themselves within bounds of good corporate and individual behavior. We want to avoid anonymous carping that can be**

destructive and I wholeheartedly agree with the comment that solutions should be encouraged not just complaints.
One suggestion I have is for a "chat room" on our Intranet. That could include a "suggestion box" feature. Certainly anyone should feel free to communicate with me directly either in a meeting, by phone or email. I think that Doug and Kevin would feel the same. If it is extremely sensitive then Pat could be a useful sounding board. I suggest the POW committee take this up.

7. Keep our integrity. **This is a very important factor in our business ethos. Mangers must share our corporate vision with employees. In fact they should go through the Vision Statement word for word with them on hiring.**

8. Managers should hold informal Quarterly Evaluations with their staff. **This is a very good idea, especially for new employees. Our Practices mandate a quarterly review of plans and schedules for each employee. Adding a personal performance aspect makes a lot of sense. Kevin and Doug make sure that managers are holding the quarterly reviews.**

Steven P. Trumpet:

- We should create products that are like a circle of life; offering valuable services to both vendors and buyers.
- We should speed up the Opportunities Light service as it will help sales to small companies.
- As a company we should have a way of filtering complaints to Mgmt-however people shouldn't feel it must be done anonymously but they should have a solution to their complaint.
- More fun should be had by all-foosball table.
- We should keep our word regarding hiring, planning etc.
- In reflecting this year we should consider the great accomplishments we've made year over year.

Amanda Brown:

- Dedicated product management focus
- Customer Care team

Lauren Shu

- Chris emphasized we need the technical architectural structure built (I see this as one of the biggest challenges that could pose a bottleneck to growth). Mark abstracted up one level by commenting that it all hinges on having a sound data architecture. I abstracted these comments to a strategic level by emphasizing Chris' earlier point that we need an ecosystem approach that holistically maps the market we serve--the entire buying and selling process cycles.
  Then do gap analysis to identify the processes that we don't have products around (data we don't collect) to identify new market opportunities for INPUT.
  I think Doug's comments that "we need to collect everything so we have it all for future products" (and reduce re-collection effort) is well addressed by the ecosystem approach and Mark's data architecture. These approaches will tell us strategically what we need to collect and where to put it when we get it and how it relates to the other stuff we have (data architecture) and how to store and manipulate it and deliver value (technically).

INPUT

MEMORANDUM

DATE:	November 4, 2004
Mtg 1:	Peggy Padalino, Chrissy Wick, Fiona Wass, Matthew Brown, Marna Martin, Christine Barker, Caleb Queern, Suzanne Rashkin, Teresa Brynda, Steven Toole, Michael Thompson
Mtg 2:	Fiona Wass, Matthew Brown, Marna Martin, Christine Barker, Suzanne Rashkin, Teresa Brynda, Michael Thompson, Michael Bogart, Linda Nguyen, Christine Gilbert
Mtg 3:	All are welcome!!!
FROM:	Dena Kisala
SUBJECT:	Current Product/New Markets Task Team Results – appended from meeting 1
CC:	Peter Cunningham, Steven Toole, Kevin Plexico, Doug Strahan, Jace Wieser, Peggy Padalino, Karl Grundy

As a result of the post-Product Planning Management Dinner on 10/14/04, the topic, "Current Product/New Markets" was identified as a topic to be explored by a cross-company task team. The intent of this topic is to identify ways to increase our existing product exposure and relevance to other markets with minimal to no additional investment.

The first meeting of the Current Product/New Markets team was held 10/27/04. Meeting 2 was held 11/3/04. The referenced industry segments and the approaches/issues surrounding those market segments are as follows:

Biomedical Companies

Hypothesis: The biomedical industry appears to be growing at a rapid rate, as evidenced by many of the large dollar value contracts from the federal government. This is an area synergistic with IT due to many of the systems required to support this industry. This may be an industry to which we could sell access to our Opportunities products (Federal & State/Local) with little to no additional investment in resources or technology.

Next Steps/Action Items:

- Identify market size & potential [New Product Development].
  - Anecdotal evidence points to there being hundreds of companies which could form a prospect list for this service category.
  - Probably one of the fastest growing verticals next to IT.
- Identify number of opportunities we have listed in the Opportunities Product [Operations].
  - 793 Active (as of 10/27)
  - 60,000 in FBO (as of 10/27)
  - Today we track a number of opps in bioinformatics, biotech, biochemistry, bioterrorism, which could be classified under the biomedical vertical.
  - We may consider adding R&D opportunities in this space.

- DHS, HHS, HSARPA (a new agency within DHS) would be federal agencies which would have the largest preponderance of opportunities in this space.

- Identify the minimum number of opps that would be necessary to sell to this industry [Sales/Marketing].
- Generate pricing strategy based on a biomedical segment [Marketing].
- Generate prospect list [Sales].

Project Team: Michael Bogart, Matthew Brown, Suzanne Rashkin (Marketing SME), Christine Barker (Sales SME)

Financial Companies

Hypothesis 1: The financial industry (Investment type firms) utilizes market research to make industry predictions for analysts and investors. This may be an industry to which we could sell our Market Analysis product line with little to no additional investment in resources or technology.

Concerns:

- Data we present is somewhat static following the year-long forecast. We would need more timely information to be able to address this market.
- We'd need to dig deeper into the verticals for which we provide Market Views to provide the kind of data sets financial firms would need.
- Most technology trends they use are probably based on commercial drivers.

Hypothesis 2: Lending Institutions may also be financial company prospects -- those that provide loans at low interest rates to companies that are bidding contracts (cPlus, a current client, is a relevant example). For this, these prospects would be served with the Opportunities & possibly Grants product line.

Hypothesis 3: Credit card companies/banks may be yet another classification of prospect companies in the financial space. They are looking for e-commerce opportunities where financial transactions are taking place so that they can identify potential opportunities where government buying transactions may be required at dollar values <$25K. The opportunities which would classify in this space would be "e-gov" initiatives. Many of these would be at the S&L level, thus S&L Opportunities would be a potential product to sell them. We wouldn't rule Fed Opps out, but there are smaller transactions at the S&L level, thus the applicability of selling to these companies would be improved with S&L Opps. The Grants product may also be a relevant source of opportunities in this space.

Next Steps/Action Items:

For All Hypotheses:

- Identify market size & potential (via a survey) [New Product Development].
- Determine if new pricing segmentation strategy is required [Marketing].

For Hyp 1:

- Identify to what extent financial companies base their predictions upon technology spending decisions made by the Federal and/or State & Local governments [Marketing].
  - Identify potential focus group and conduct interviews.
- Identify the data points Investment firms utilize to make these predictions [Marketing/ Operations].

- Identify the correlation/synergy between financial industry market needs and INPUT Market Analysis Product Offering [Operations].
- If gaps exist between financial needs/INPUT offering, identify gaps and level of effort required to close. Document cost/ROI [Operations].

For Hyp 2:

- Identify potential key words that would correlate to the desired results that lending institutions would use to determine viable opportunities.
    - Conduct a user focus group or the like (include ePlus, a current client) to derive this information [ALL]
- Once key words are identified, determine current scope (# opps) of those initiatives in Fed Opps, S&L Opps/Bid Notification & Grants [Operations].
- Identify current scope (# opps) of e-gov initiatives in FBO to determine opportunity potential [Operations].
- Determine requisite numbers of opps in this space to make this a viable market for which to prospect [ALL].
- If gaps exist between lending institution needs vs. INPUT offering, identify gaps and level of effort required to close. Document cost/ROI [Operations].

For Hyp 3:

- Identify current scope (# opps) of e-gov initiatives in S&L Opps/Bid Notification [Operations].
- Identify current scope (# opps) of e-gov initiatives in Fed Opps [Operations].
- Identify current scope (# opps) of e-gov initiatives in FBO to determine opportunity potential [Operations].
- Identify other potential key words that would be synonyms for e-gov or would derive the small transaction-based initiatives for which this market segment may be interested [ALL].
- Determine requisite numbers of opps in this space to make this a viable market for which to prospect [ALL].
- If gaps exist between credit card co./bank needs vs. INPUT offering, identify gaps and level of effort required to close. Document cost/ROI [Operations].

Project Team: Chris Campbell and Teresa Brynda, Suzanne Rashkin (Marketing SME), TBD (Sales SME)

Staffing Firms

Hypothesis 1: Staffing Firms need to have visibility into the federal and state & local initiatives that drive the expansion of contractor staffs in the areas for which they provide staffing resources. With visibility into the contracts being let and the prospective bidders, these firms may better position themselves to provide the requisite staffing on these initiatives.

Further, by understanding vendors' price points for labor, they may better position themselves to offer these resources at more competitive or more profitable prices, ultimately leading to a growth in revenue and/or profitability.

This may be an industry to which we could sell both our Opportunities product line and the Federal Labor Pricing Product with little to no additional investment in resources or technology.

Concerns:

- Companies need to submit proposals with bids – often need highly specialized people.
- We should evaluate the PSC codes
- Vendors often have "pre-approved" contractors that they use as staffing firms – we could leverage our client base to solicit this info to build a prospect list.
- Most states have lists of pre-approved state-wide contracts with staffing firms (similar to a GSA schedule).

Hypothesis 2: In this case, an opportunities type product (Fed & S&L would be applicable – emphasis on S&L due to small business attraction)

Next Steps/Action Items:

- Identify market size of the staffing industry & potential for product use (via a survey). [New Product Development].
- Identify the data points they utilize to create their prospect lists & prices [Marketing/Operations].
- Validate the correlation/synergy between Staffing industry's needs and INPUT's opportunities and labor pricing Product Offerings [New Product Development/Marketing].
- If gaps exist between staffing agency needs/INPUT offering, identify gaps and level of effort required to close. Document cost/ROI [Operations].
- Determine if new pricing segmentation strategy is required [Marketing].

Project Team: Linda Nguyen, Mike Thompson, Christine Gilbert

Law Firms -- These are other potential markets to serve. Need to expand upon these and determine product type and potential relevance.

Research Companies – These are other potential markets to serve. Need to expand upon these and determine product type and potential relevance.

Next Meeting: Wednesday, 11/10/04

Agenda:

- Revisit Law Firms & Research Companies as potential markets
- Finalize construct of Project Teams – assign project leaders for investigation of each new market segment.
- Construct/Review template for deliverable product.
- Prioritize list & timeline to complete project. Identify resources outside of project team that may be required to generate deliverable.

***

Vertical Marketing Strategy
September 17, 2004

Objective – sell more current products to ancillary markets.

Situation –

- Most of our current clients purchase INPUT products to win government prime or sub business.
- Some companies purchase INPUT products as a means to market to the companies winning (or bidding on) government contracts and subcontracts.
- The opportunity exists to stimulate additional sales from more of these types of companies by packaging, branding, and promoting INPUT products to these segments.

Marketing support – ancillary markets are not currently an area supported by marketing

Solution – Create product "versions," branding, and marketing collateral/sales support for ancillary market segments.

Market Segments:

- **Accounting firms** – *looking to help award recipients maintain books for newly awarded contracts*
- **Staffing firms** – *looking to provide temp, perm, and contract labor as well as labor with security clearances. Also to use INPUT's labor pricing database to bid competitively for staffing resources to sub and prime contractors.*
- **Law firms** – *providing contract representation, liability terms, etc.*
- **Financial services firms** – *looking for opportunities to finance investments needed to fulfill contract requirements*
- **Insurance companies** – *providing liability insurance*
- **PR/Advertising firms** – *providing market intelligence for better positioning and promoting clients, and for prospecting/marketing their services to government contractors.*

Branding: Create vertical solution suites for each market segment.

- **Staffing firms:** **INPUT Staffing Suite**
- **Financial services firms** **INPUT Suite for Investors**
- **Accounting firms:** **INPUT Suite for Accounting Firms**
- **Law firms:** **INPUT Suite for Law Firms**
- **Insurance companies** **INPUT Suite for Insurers**
- **PR/Advertising firms:** **INPUT Suite for Communicators**

Branding Details: Specific product components for each branded suite may include:

- **INPUT Staffing Suite**
  - Federal opportunities
  - SL opportunities
  - Federal labor pricing
  - Vendor profiles
  - Federal Agency profiles
  - State IT profiles
  - MY INPUT
    - Price: $65,550
- **INPUT Suite for Accounting Firms**
  - Federal opportunities
  - Vendor profiles
  - Federal Agency profiles
  - MY INPUT
    - Price: $52,700
- **INPUT Suite for Law Firms (per seat)**
  - Federal opportunities
  - Vendor profiles
  - MY INPUT
- **INPUT Suite for Financial analyst organizations**
  - Federal IT &C4I opportunities
  - Federal market analysis
  - S&L market analysis
  - Vendor profiles
  - My INPUT
- **INPUT Suite for Insurers**
  - Federal opportunities
  - Federal labor pricing
  - Vendor profiles
- **INPUT Suite for Communicators**
  - Federal Market Analysis
  - Vendor profiles

Vertical Marketing Activities

- Association support – identify key professional organizations such as:
  - **Staffing industry associations:**
    - American Staffing Association
    - Capitol Staffing Association
  - **Law firm associations:**
    - The American Bar Association (ABA – law firms)
  - **Accounting Associations:**
    - The American Accounting Association
    - The European Accounting Association
    - British Accounting Association
    - Accountants Global Network

        - CPAmerica International
        - International Association of Practising Accountants
        - International Group of Accounting Firms
    - **Financial Analyst Associations:**
        - Association for Investment Management and Research
        - Los Angeles Society of Financial Analysts
        - Society of Asset Allocators and Fund Timers
        - National Association of Securities Dealers
    - **Insurance Associations:**
        - Professional Liability Underwriting Society
        - American Association of Insurance Services
        - The Association Of British Insurers
- **Industry event speaking engagements**
    - Solicit speaking engagements at vertical industry events with topics related to the specific vertical.
- **Industry association advertising/marketing**
    - Leverage association lists and publications to create targeted marketing efforts to key decision makers within each vertical.
- **"How to"** webinars/seminars
    - – create an ongoing series of informative, educational, FREE, "how to" webinars to demonstrate the value and benefits of INPUT's vertical solutions.
    - Feature INPUT clients from each segment area on each How to webinar as both a testimonial and to provide real world scenarios that attendees can use.
    - Topics may include:
        - **Accounting firms:** **"Government business development strategies for accounting firms"**
        - **Staffing firms**: **"Government business development strategies for staffing firms"**
        - **Law firms**: **Providing legal representation for government contract awardees**
        - **Financial services firms** **Uncovering Financial analysis of government technology vendors**
        - **Insurance companies** **INPUT Suite for Insurers**
- **Testimonials** – demonstrate representation and high satisfaction among members of each of the specific verticals with client testimonials. Create a separate testimonial PDF for each vertical.

- **Collateral**
    - Create supporting collateral and web content for vertical product suites.

- **E-letters:** Expand current Federal and S&L e-letters to provide specific e-letters on:
    - Financial articles
    - Staffing/federal employment statistics

- Legal issues/articles
- Accounting/finance news/articles

Confidential - **INPUT**

don't renew

INPUT

Product Segmentation Strategy

Steven Toole

September 21, 2004

www.input.com

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Agenda

- Vision
- Goal & Objective
- Situation Overview
- Available Options
- Recommendation
- Terms & Conditions
- Sales Approach
- Conclusion

INPUT

Project Vision Statement

- Segment INPUT products and services to satisfy the need to purchase database segments at price points that are less than each product's full subscription price.

INPUT

Goal and Objective

- Goal: Drive incremental revenue for INPUT products and services on a low-cost, annual subscription basis.
- Objectives: Win new customers, sell new products to current clients, increase market share, sow seeds for upgrades.

INPUT

Today's Situation

- Primarily 'all-or-nothing' product approach
  - –Exceptions
    - ⇨State opportunities & profiles
    - ⇨FedBasic
- Increased competitive pricing pressure
- Smaller prospects more focused on specific:
  - –Technologies
  - –Agencies
  - –Geographies, etc.

INPUT

Available Options

- Option 1: Continue only enterprise selling
  - +leaves pricing model intact
  - +forces enterprise subscriptions
  - –opens competitive window

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Available Options (ctd.)

- Option 2: Develop segmented products
  - +enables more low-end orders
  - +preempts low end competition
  - +enables e-commerce orders
  - –possible enterprise subscription model erosion

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Recommendation

- Develop segmented products
  - ➢Supplement revenue with low end sales
  - ➢Increase overall market share
  - ➢Preempt competition
  - ➢Drive volume business
  - ➢Expand client base
  - ➢Spawn upgrade opportunities

INPUT

T&Cs

- Sold on per seat basis only
- Web-based training only/sold separately
- Tech support included
- No hotline support included

INPUT

Segmentation - *Breadth*

- Major division (DoD ***or*** Civilian)
- Competition type (SDB, 8(a), SB, Full)
- Specific agency
- Primary service (Federal & S&L opps)
- Specific incumbent
- Primary State – Federal; Home State – S&L
- Local government (US/UK)
- By country (TED)

INPUT

Post-RFP Segment

- Currently 246 Post-RFP opps
- 6,786 Post-RFP to awarded opps (69%)
- Offer highest value to 3rd party suppliers
  - –Staffing agencies
  - –Law firms
  - –Financial institutions
- Sell access to Post-RFP to awarded opps only
- Propose 20% discount over entire database
  - –$5,520

INPUT

Major Division Segment

- Current opportunities:
  - – 5,171 DoD (54% of total)
  - – 4,373 Civilian (45% of total)
- Sell access by major division
- Pricing – DoD only $4,995
- Pricing – Civilian only $4,995

INPUT

Competition type

Opportunities	#	%	Price
Full and open	4,973	52%	$4,995
SB set aside	1,899	20%	$3,495
8(a) set aside	605	6%	$1,800

INPUT

Specific Agency

Opps	#	%	price
Navy	1,820	19%	$3,495
Army	1,249	13%	$2,995
USAF	1,155	12%	$2,005
DHS	271	3%	$1,800

UK Local Gov't Department

Housing	15	£995
Education	19	£995

INPUT

Primary Service

Opportunities	#	%	price
Prof Svcs	4,171	43%	$4,995
NW/Telco svcs	713	7%	$3,495
R & D	977	10%	$3,495
DHS	271	3%	$2,995
All others	<500 ea.	<6% ea.	$2,995

INPUT

Incumbents

Incumbent	#	val	price
SAIC	75	$245b	$1,800
Booz	29	$299b	$1,800
Northrup	88	$195b	$1,800
CSC	55	$191b	$1,800
Unisys	8	$165b	$1,800

INPUT

MYState - Federal

- Federal opps primary home state only
- 3,123 opps with primary states identified
- Pricing **price**
  - –DC, MD, or VA (14-16%): $4,995
  - –CA (8%): $3,495
  - –Other states (<5%): $1,800

INPUT

MYState Suite

- Package:
  - Home State & Local IT Opps w/Bid Notification
  - Home State Profiles
  - 1 State & Local MarketView
  - Federal opps primary home state
  - MyINPUT (1 seat)
  - 1 seat CMS
- Pricing:
  - Beltway & CA $9,995
  - Large States $7,995
  - Medium States $6,995
  - Small States $5,995

INPUT

Federal DB Products

- Limited depth: $595/yr, single seat
  - –Program name
  - –Department/agency
  - –Brief summary
  - –RFP date
- FedBizOpps $595/yr, single seat
  - –by dept. $99 per agency

INPUT

S&L Bid Notification

- S&L Bid notification $595/yr, single seat
  - –by state $199 per state

INPUT

Limited Depth Offering

Basic Fields Only – $1,800

- Program Name
- Acronym
- RFP Number
- Opportunity ID
- Department
- Agency
- DoD/Civilian
- Summary
- Primary Service
- SIC Code
- NAICS Code
- Program Value
- Status
- RFP Date
- Projected Award Date
- Competition Type
- Link to government website

Full subscription fields

- Program description
- Contract Type
- Contract Duration

- Incumbent
- Incumbent Value
- Incumbent Contract #
- Incumbent Award Date
- Incumbent Expiration Date
- Schedule/acquisition plan
- Place of Performance
- Related Opportunity
- Key Contacts
- Procurement Activity
- Questions
- Potential primes
- Interested vendors
- Advertise
- e-Reference documents
- Shared notes
- Comments
- Last Updated
- Primary State of Pref
- Related articles
- Related CDB Announcements

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INPUT

Reports

- Offer individual static report PDFs:
  - –MarketView (Fed/SL/UK) $2,900
  - –Market Forecast (Fed/SL/UK) $3,900
  - –INPUT/Output $199

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INPUT

FOIA Document Library

- Sell individual documents we obtain through FOIA:
  - –RFPs
  - –Contracts
  - –Strategic IT plans
  - –Annual grant reports
  - –"How to do business with XYZ agency"
- Pricing: $5 - $195 per document
- Annual subscription basis: $3,995

Eagle Eye Document Library Pricing:
1 seat: $3,495
2-3 seats: $3,995
4-6 seats: $4,995
7-10 seats: $5,995
11-50 seats: $7,995
Enterprise: $10,000

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INPUT

UK Local Database

- By Department
- By Region
- By Primary Service

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INPUT

S&L/HE Grants

- By department:

–HHS	32%	$4,995
–DHS	10%	$3,995
–Dept. Education	8%	$3,995
–EPA	5%	$2,995
–Agriculture	4%	$2,995

Offer any dept across S&L and HE grants @ 2x price.

INPUT

Labor Rates

- By vendor:
  - –$1,995 per vendor
- By program:
  - –$1,995 per program
- By primary service:
  - –$3,995

INPUT

S&L/HE Grants

- By vertical:

–Health care	18%	$4,995
–IT	18%	$4,995
–Environment	10%	$3,995
–Primary/2ndary 3d	6%	$3,995
–Social services	5%	$2,995
–Higher ed:	3%	$2,995

Offer any vert. across S&L and HE grants @ 2x price.

INPUT

Distribution

- Minimize distribution costs
- Enable e-commerce distribution of all products
- Develop a wizard/custom subscription builder

INPUT

Next Steps

Item	Owner	Due
Finalize product offerings	ST	10/31
Build plan & schedule	ST	10/31

INPUT

Brand Awareness Survey

Steven Toole

September 21, 2004

www.input.com

INPUT

Agenda

- Executive Summary
- Objective
- Sampling Methodology
- Survey Methodology
- Response
- Results: Unaided Responses
- Results: Aided Responses
- Next Steps
- Q&A

INPUT®

Executive Summary

1. Results reveal little recognition of government market research brands among survey sample
2. More respondents knew the INPUT brand than any other government market research brand
3. Results imply INPUT brand awareness strength vs. competition among core target audience
4. Survey results difficult to project
5. Respondents heavily skewed <$1M revenues
6. Recommend re-deploying to larger sampling

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INPUT®

Survey Objectives

1. Determine relative INPUT brand awareness
2. Determine relative INPUT brand strength
3. Establish a baseline for future comparisons

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INPUT

Sampling Methodology

- Nonprobability sampling employed
  - –INPUT's target market is difficult to identify
  - –Universe of government contractors

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INPUT

Sampling Methodology

- Convenience sampling method employed
  - –Washington Technology subscribers
    - ⇨Washington Technology serves:
      - ▪systems integrators,
      - ▪information technology solution providers,
      - ▪and VARs
    - ⇨who provide IT products and services
    - ⇨to federal, state & local government

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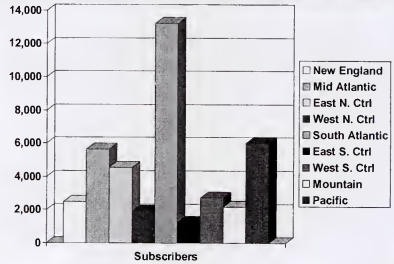
INPUT

Sample Universe Geography



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INPUT

Sampling Job Titles

- -Sr. executive management/President/CEO
- -Business Development
- -Marketing managers
- -sales management

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INPUT

Sample Size

- Target size = 17,241
- Sample size = 5,000 (nth random contact)

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INPUT

Survey Methodology

- Web-based survey
- Blind, text e-mail sent 9/10/04
- One time hit
- Link to blind survey
- No incentive for completion
- Identified Washington Technology as list source
- Forced entry fields
- Respondents instructed not to jump ahead or back

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INPUT

Survey Questions

1. Unaided research firm awareness
2. Unaided gov't research firm awareness
3. Unaided gov't contacts firm awareness
4. Unaided gov't opportunities awareness
5. Unaided gov't networking events awareness
6. Unaided gov't consulting awareness
7. Aided company brand awareness
8. Aided company experience levels
9. Aided brand recommendation
10. Respondent Job title
11. Respondent company revenues

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INPUT

Response Rates

- 3.5% response rate (174 survey hits)
- 29.3% completion rate
- 1% over all completion rate
- 53 completed surveys

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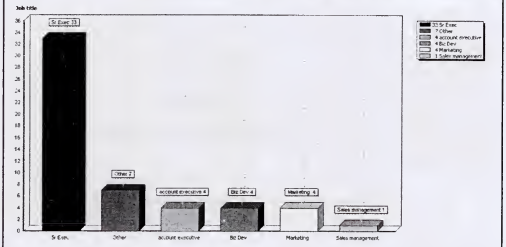
INPUT®

Respondent demographics -- Job title



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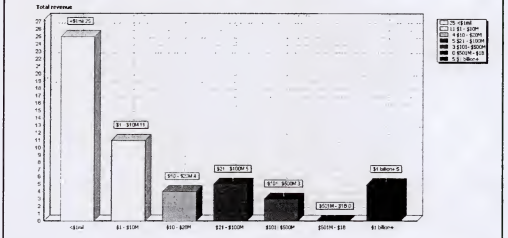
INPUT®

Respondent demographics -- Total Company Revenues



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INPUT

· we don't do this — waste of time.

· random sample — telephone interviews.

Results

Results:
Unaided Responses

INPUT

Market Research Brands -Unaided

tied for 4th highest unaided recall

Brand	Responses
Gartner	9
Forrester	7
IDC	4
INPUT	**2**
D&B	2
Meta	2
Hoover	2
Instat	2
Dataquest	2
FSI	1
Yankee	1
Giga	1
Aberdeen	1
Jupiter	1
none	21

Rangin 1 ann

Question: What companies come to mind when you think of Market research/market intelligence? Please list as many as you can recall.

INPUT

Government Market Research Brands -- Unaided

	Brand	Responses
	INPUT	**3**
tied for highest unaided recall	Gartner	3
	FedMarket	2
	IDC	2
	FedSources	1
	Washington Technology	1
	Forrester	1
	101 Communications	1
	none	37

Question: What companies come to mind when you think of Market research/market intelligence for the government contracting market? Please list as many as you can recall.

INPUT

Government Networking Event Brands -- Unaided

	Brand	Responses
	FCW/101 Communications	3
	INPUT	**2**
tied for second highest unaided recall	GCN	2
	Fedmarket	1
	IDC	1
	none	37

Question: What companies are you aware of that hold government networking events such as government contracting conferences and breakfast events? Please list as many companies as you can recall.

INPUT

Government Profiles -- Unaided

	Brand	Responses
	INPUT	2
tied for highest unaided recall	Washington Technology	2
	Fed Market	2
	101 Communications LLC	1
	Booz	1
	Dialog	1
	none	43

Question: What companies come to mind when you think of obtaining lists, profiles, contact information, and org charts about government employees? Please list as many as you can recall.

1-2a

INPUT

Government Profiles -- Unaided

	Brand	Responses
	INPUT	2
tied for highest unaided recall	Washington Technology	2
	Fed Market	2
	101 Communications LLC	1
	Booz	1
	Dialog	1
	none	43

Question: What companies come to mind when you think of obtaining lists, profiles, contact information, and org charts about government employees? Please list as many as you can recall.

1-2a

INPUT

Government Consulting -- Unaided

second highest unaided recall

Brand	Responses
Gartner	5
INPUT	3
Fedmarket	2
Forrester	2
military.com	1
Fed Sources	1
Harris InfoSource	1
GSA	1
IBM	1
Forbes	1
Yankee Group	1
D&H Distributors	1
AMR,	1
Accenture	1
101 Communications LLC	1
Booz,	1
Rogen International	1
none	33

Question: What companies come to mind when you think of providing custom research, advisory services, and consulting services on selling to the government? Please list as many as you can recall.

1-Ja ... e 21

INPUT

Results

Results:
Aided Responses

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INPUT

Survey Methodology: Aided Response Questions

- Five point scales
- 18 companies listed in alpha order

INPUT

Company Brand Familiarity -- Aided Responses

Rank	Brand	Responses	Percentage
1	Gartner	39	76%
2	Yankee Group	36	71%
3	Forrester	33	65%
4	META Group	29	57%
5	IDC	26	51%
6	Fed Sources (FSI)	16	31%
7	FedMarket	14	27%
8	ePipeline	12	24%
9	Bidnet	11	22%
10	Carroll Publishing	9	18%
10	**INPUT**	**9**	**18%**
11	Leadership Directories	8	16%
12	Center for Digital Government (CDG)	7	14%
13	Map ROI	6	12%
14	Set Aside Alert	4	8%
14	Winvale Group	4	8%
15	WinAward	3	6%
16	Bid Ocean	1	2%

"Responses" includes:
- *Heard of*
- *Somewhat familiar*
- *Very familiar*
- *Extremely familiar*

Question: How familiar you are with the following companies? Please select the response to the right of each company name that best represents your familiarity with each company.

INPUT

Company Experience Levels -- Aided Responses

Rank	Brand	Responses	Percentage
1	Gartner	21	40%
2	Forrester	17	32%
3	IDC	15	28%
3	META Group	14	26%
3	Yankee	14	26%
4	FSI	6	12%
5	Leadership	5	10%
5	FedMarket	5	10%
6	Carroll	4	8%
6	INPUT	4	8%
7	CDG	3	6%
7	ePipeline	3	6%
7	Set Aside Alert	3	6%
8	Bidnet	2	4%
8	Map ROI	2	4%
8	Winvale	2	4%
9	Bid Ocean	1	2%
9	WinAward	1	2%

"Responses" includes:
- *Have used*
- *Currently using*

Question: What experience do you have using each of the following companies' products or services? Please select the response to the right of each company name that best represents your experience with each company.

INPUT

Currently Evaluating -- Aided Responses

Rank	Brand	Responses
1	Gartner	3
2	FedMarket	2
2	IDC	2
3	ePipeline	1
3	Forrester	1
3	INPUT	1
3	Map ROI	1
3	META Group	1
3	Yankee Group	1
4	Bidnet	0
4	Bid Ocean	0
4	Carroll Publishing	0
4	Center for Digital Government (CDG)	0
4	Fed Sources (FSI)	0
4	Leadership Directories	0
4	Set Aside Alert	0
4	WinAward	0
4	Winvale Group	0

Question: What experience do you have using each of the following companies' products or services? Please select the response to the right of each company name that best represents your experience with each company.

INPUT

Brand Strength -- Aided Responses

Rank	Brand	Positive	Negative	Strength Ratio
1	IDC	13	3	4 33
2	Gartner	23	6	3.83
3	Forrester	17	5	3 40
4	Yankee	13	5	2 60
5	META Group	11	5	2 20
6	FedMarket	4	4	1.00
7	INPUT	4	5	0.80
8	FSI	3	5	0.60
9	Leadership	3	6	0.50
10	CDG	2	5	0 40
10	ePipeline	2	5	0.40
11	Map ROI	1	5	0 20
11	Set Aside Alert	1	5	0 20
11	WinAward	1	5	0.20
11	Winvale	1	5	0.20
12	Bidnet	1	6	0.17
12	Bid Ocean	1	6	0.17
12	Carroll	1	6	0 17

"Positive" includes:
- *Would probably recommend*
- *Would definitely recommend*

"Negative" includes:
- *Would probably NOT recommend*
- *Would definitely NOT recommend*

Question: Based on what you know about each of these companies, please indicate how likely you would be to recommend each company by selecting the response to the right of each company name that best represents your likelihood of recommending each company.

INPUT

Next Steps

- Redeploy survey to larger sample size 10/12
  - –Suppress <$1 million companies
  - –Suppress previous respondents
- Offer incentive for completion
  - –$10 Amazon.com gift certificate
- Target: 100 new completed surveys
- Schedule comparison survey in 12 months 9/30/05

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INPUT: The Products

Packaged Consulting
- Federal
  - Federal Comparative Rate Analyses
  - Federal Organization Charts
- INPUT Executive Program
- Federal and S&L
  - INPUT/Outputs
  - Annual Industry Forecast
  - MarketViews

Packaged Consulting
- Federal Information Security Solution (PFIIS)
  - Segment & Account Profiles
  - Government Contacts
  - Annual Industry Forecast
  - Issue Analysis Reports
  - INPUT/Outputs

Customized Consulting
- TCO Studies
- Web Surveys
- Affiliate Program Projects
- Advisory Services Projects
- Federal BD Acceleration
- S&L BD Acceleration

MyINPUT

Database Federal
- Federal Opportunities Database
- INPUT Federal Contacts Database
- FPDS Contracts Database
- Federal Agency Profiles
- Teaming & Company Profiles
- FPDS Vendor Profiles
- Small Business Directory
- Federal Task Orders
- Federal Labor Pricing

Database S&L
- S&L Tracked Opportunities
- S&L Opportunity Alerts
- INPUT S&L Contacts Database
- S&L Government Profiles
- S&L Teaming & Company Profiles
- S&L Vertical Profiles
- S&L Grants

Events
- Federal Breakfasts
- State Breakfasts
- State & Local MarketView
- FedFocus & User Conference
- Seminars

Database is the foundation of INPUT and the cornerstone of advancing the evolution of the company

Strategy principles

What do members value - Research underway
What do markets value - will probably Rank

The answer to that questions relative to our core and adjacent capabilities

Should we focus on 2009 and address the multi year strategy at a high level and more detail in early 2009 in the normal planning cycle

What is the rush for the multi-year plan

RUN model

Red Purple Blue

Competition: FSI

Company Size:	60 employees	Estimate Revenue:	$9M $7M database $2MConsulting
Pricing:	Starting at $950 per seat, enterprise license estimates unknown	Estimated # of Customers:	~500 companies

Highlights:

- Database is the cornerstone of the company
- Identified market differentiator as their Client Development Executive (CDE) and Advanced Client Research environment (ACReS)
  - Goal is to understand the clients business and proactively push information relevant to the clients business
  - The approach is a great sales technique but execution falls way short
    - Data provided is a re-hash of publicly available information that may be mixed with FSI database content
- Reliance on FBO as a primary source for new opportunities and opportunity updates
  - Limited primary contact with government procurement personnel
- Consulting services perceived in the market as a data driven not knowledge driven model
  - Described as meeting the "thud factor" but providing limited business value added knowledge
  - Very cautious as to what assignment to take, use of all secondary research sources
  - Typical engagements in the areas of market sizing, opportunity identification and account planning....moving away from competitive analysis
- WMG acquisition has begun to positively influence market perception, but service quality still remains weak
- Consideration s being given to merging WMG and FSI into one entity
- FSI has not brought a significant new product offerings to market in years
  - Focus has been on self preservation and protection of eroding market share
- Bill Gormley, Joe Caggiano, Ray Bjorklund are know entities, very accessible to customers

Themes for Reorganization

Focus: the power of focus - continuous improvement

Getting our most expensive closer to the action

Create positions for growth / Establish foundation for growth

Establish a markets

go to market infrastructure

Test distribution capabilities

Research on markets

Focus on products

Monthly Breakfast vs weekly bagels

Friday casual if we meet previous month forecast

Customers: Their Perspectives

Large Businesses		Small Businesses
INPUT is our preferred data source **We use FSI because we use WMG** **INPUT database is adequate, nothing stellar, it's a point of reference** *Information is not as deep as it used to be. I think its all secondary sources of information. At least it's all in one place.* **We have INPUT but none of us really use it daily or weekly—maybe monthly or bi-monthly** *Great for opportunity identification/pipeline of expiring programs—bad for tracking progress of opportunities* *They don't do any primary research* **Validation of what we know** **We find INPUT to be very user friendly compared to FSI** *The information is not deep—it appears to be more of a collection of articles and legislative information rather than content based on direct contact with the program office* **INPUT is one of several sources we have** **We use INPUT database and use many others for specific consulting assignments** *INPUT is never quoted in the trade rags; you occasionally see Ray Bjorklund* *Unable to generate a simple chart from the TO database showing which vendors received which amount of money (or from which customers) for a given multiple award vehicle, e.g., TIPSS-2*	**INPUT makes *too* many assumptions with bidders...for example, they'll list a bidder that does IV&V/Auditing for the agency and it's able to bid on the program** *I should be able to ask INPUT who are the 10 CIOs leaving government or changing agencies this year but can't call anyone there....I can call Olga at ITAA, she knows* *They don't know the government customer or government officials* **We have both...feel that FSI has more sr. analysts versus Input's jr. analysts** **We saw INPUT and FSI as Hertz and Avis of the Federal IT market intelligence world and we ended up going with FSI** **INPUT had a great white paper on Outsourcing a while back and we found it really helpful** **Federal Labor Pricing database provides a good consolidated view of labor rates, but does not provide value to a user in predicting competitor behavior** *FSI has great account reps and I have access to Joe Caggiano or Ray Bjorklund if I need more insight, they'll meet for breakfast the next morning to discuss—Bill Gormely—impossible to get to* *If you want to find RFPs with Performance based contracting language in them....you can't search INPUTs database and find this* **Good reference tool**	*FedFocus event very good...some presenters too junior to deliver material* **They don't track every single procurement...we think they use mostly FBO and don't mine agency specific sites like the ones the Army has** **Tool is helpful but only about 80% accurate** **They have duplicate procurements or procurements where we call and the govt POC has never heard of the program** *I need help getting into the government customer and they don't have this ability* **A lot of calls when posting as an interested vendor** **We use the product but it doesn't help us figure out who to team with** **Everyone we know has INPUT so we have the same information as others** **FSI has senior experienced consultants and INPUT doesn't have any consulting capability** *We do not see them sponsoring events or otherwise having 'ties' to our local business community (Colorado Springs)* **We need GSA schedule services and are skeptical about FSI's/WMG's quality, but INPUT does not offer it** *Unable to search any of the information within bidders lists or even locate the bidders lists within the opportunities database. All of it is embedded in attachments*

Customers: Their Perspectives – Their Voice

What's Good?

- Service interface....easy to use/navigate in comparison to competitors
- Secondary data source
  - Unique data to INPUT such as opportunities that do not exist in other databases, custom reports
  - Cross validation of other data from other sources such as FSI, ePipeline, FedBizOpps
- Customer service
- Perception of INPUT in the marketplace

What's weak?

- There isn't a "face" to INPUT...for customers or government officials
- Continuum of service that INPUT does not offer that is important to them (e.g, GSA schedule support, consulting, proposal support)
- Database related issues: timeliness/freshness, accuracy, value of content, ability to "mine"
- Knowledge and access consulting is missing
- Eroding perceived value in opportunity database component
- Value added expertise in looking at the market from the customer's unique perspective

Resonating Messages

- **INPUT database is adequate (with inherent database issues) but value is diminishing**
- **No "face" to INPUT for customers or government**
- **INPUT is "a source" of information, not "The source"**
- **INPUT provides data not knowledge**

Workflow of Government Business: What They Want, Need and Use

Business Operational Needs	Database	Consulting: Knowledge	Consulting: Relationship	Back Office
Strategic Planning				
Market Overview/Assessments				
Go- To-Market Plans	All	NE, SM, PR, NI, NT	NE, SM, PR, NI, NT	
Agency Plans	All	NE, SM, PR, NI, NT	NE, SM, PR, NI, NT	
Technology Application Plans	All	PR, NI	PR, NI	
Call Plans	All	All	All	
Legislative Impact/Positioning		NE, PR	LG, SM, NT	
Key Initiatives/Impact on Community		All		
Market Refresh/Outlook	LG, PR	NE, SM, PR, NI, NT		
Relationship/Access			All	
Market Size	LG, SM	All		
Market M&A Support		LG, SM, NI, NT		
Procurement Insight/Changes		LG	LG	
GSA Schedule				
Establishing for the first time		NE	SM, PR, NI, NT	
Managing Admin and Mods			SM, PR, NI, NT	SM, PR, NI, NT
Sales (holding and selling)			SM, PR, NI, NT	SM, PR, NI, NT
Pipeline Development				
Opportunity Identification	All	All	All	
Account Plans (Agency)	All	NE, SM, PR, NI, NT	NE, SM, PR, NI, NT	
Org Charts (Agency/Program)	All	All	All	
Call Plans (Agency/Program)	All	NE, SM, PR, NI, NT		
Relationship development/Access			All	
Legislative Issues		All	All	
Association Involvement		All	All	

Business Operational Needs	Database	Consulting: Knowledge	Consulting: Relationship	Back Office
Sales Support				
Contacts/Buyers	All	All	All	
Quote Capability				NE, SM, PR, NI, NT
White Paper Development		LG, NI		LG, NI
Task Order Identification	All	All	All	
Capture Support				
Teaming (who to team with and why)	All	All	All	
Story Board Support		SM, NI, NT	SM, NI, NT	
Star Chart		SM, NI, NT	SM, NI, NT	
Competitive Analysis	All	LG, SM, NT	LG, SM, NT	
Programmatic Issues		LG, SM, NT	LG, SM, NT	
Evaluation Criteria Analysis /Loopholes/ Areas to Game		LG, SM, NT	LG, SM, NT	
Price to Win	All	LG, SM, NT		
Black Hat Support		LG, SM, NT	LG, SM, NT	
Red Team Support		LG, SM, NT	LG, SM, NT	
Bid/No Bid Support		LG, SM, NT	LG, SM, NT	
Proposal Support				
Capture Managers				NE, SM, NT
Volume Managers				NE, LG, SM, NT
Proposal Writers				NE, LG, SM, NT
Graphics				NE, LG, SM, NT
Orals Development/Coaching				NE, LG, SM, NT
Execution/Delivery				
Program Management				NE, SM, NT
Performance Metrics		NE, LG, SM, NT		
Service Level Agreement		NE, LG, SM, NT		
Customer Satisfaction Surveys		All		
Key Relationships			All	

NE = new entrant
SM = small business
LG = large business
PR = product supplier
NI = niche provider
NT = non IT provider

Database = database product offering
Consulting Knowledge = knowledge products that are one to many or customized
Consulting Relationship = access/relationship consultants, door openers
Back office = proposal support, sales support and PM augmentation labor or services

Workflow of Government Business: What They Want, Need and Use

Business Operational Needs	Database	Consulting: Knowledge	Consulting: Relationship	Back Office
Strategic Planning				
Market Overview/Assessments				
Go- To-Market Plans	All	NE, SM, PR, NI, NT	NE, SM, PR, NI, NT	
Agency Plans	All	NE, SM, PR, NI, NT	NE, SM, PR, NI, NT	
Technology Application Plans	All	PR, NI	PR, NI	
Call Plans	All	All	All	
Legislative Impact/Positioning		NE, PR	LG, SM, NT	
Key Initiatives/Impact on Community		All		
Market Refresh/Outlook	LG, PR	NE, SM, PR, NI, NT		
Relationship/Access			All	
Market Size	LG, SM	All		
Market M&A Support		LG, SM, NI, NT		
Procurement Insight/Changes		LG	LG	
GSA Schedule				
Establishing for the first time		NE	SM, PR, NI, NT	
Managing, Admin and Mods			SM, PR, NI, NT	SM, PR, NI, NT
Sales (hunting and selling)			SM, PR, NI, NT	SM, PR, NI, NT
Pipeline Development				
Opportunity Identification	All	All	All	
Account Plans (Agency)	All	NE, SM, PR, NI, NT	NE, SM, PR, NI, NT	
Org Charts (Agency/Program)	All	All	All	
Call Plans (Agency/Program)	All	NE, SM, PR, NI, NT		
Relationship development/Access			All	
Legislative Issues		All	All	
Association Involvement		All	All	

Business Operational Needs	Database	Consulting: Knowledge	Consulting: Relationship	Back Office
Sales Support				
Contacts/Buyers	All	All	All	
Quote Capability				NE, SM, PR, NI, NT
White Paper Development		LG, NI		LG, NI
Task Order Identification	All	All	All	
Capture Support				
Teaming (who to team with and why)	All	All	All	
Story Board Support		SM, NI, NT	SM, NI, NT	
Star Chart		SM, NI, NT	SM, NI, NT	
Competitive Analysis	All	LG, SM, NT	LG, SM, NT	
Programmatic Issues		LG, SM, NT	LG, SM, NT	
Evaluation Criteria Analysis /Loopholes/ Areas to Game		LG, SM, NT	LG, SM, NT	
Price to Win	All	LG, SM, NT		
Black Hat Support		LG, SM, NT	LG, SM, NT	
Red Team Support		LG, SM, NT	LG, SM, NT	
Bid/No Bid Support		LG, SM, NT	LG, SM, NT	
Proposal Support				
Capture Managers				NE, SM, NT
Volume Managers				NE, LG, SM, NT
Proposal Writers				NE, LG, SM, NT
Graphics				NE, LG, SM, NT
Orals Development/Coaching				NE, LG, SM, NT
Execution/Delivery				
Program Management				NE, SM, NT
Performance Metrics		NE, LG, SM, NT		
Service Level Agreement		NE, LG, SM, NT		
Customer Satisfaction Surveys		All		
Key Relationships			All	

NE = new entrant
SM = small business
LG = large business
PR = product supplier
NI = niche provider
NT = non IT provider

Green means Input provides this capability and solution provides sufficient input for a client to execute from available information
Yellow means Input provides this capability but solution addresses only components of things needed for a client to execute from available information
Red means that Input does not provide a solution in this area

Growth Areas for Consideration - INPUT

- Deep dive Gartner like market reports on federal emerging areas that can be sold to both industry and government, helps solidify "experts" in government
- Develop a playbook report that dives deep into the top 5 areas of interest in the upcoming year....build once, sell too many—could be both for industry and government
  - Opportunity to spin the report into customized consulting opportunities, leveraging other INPUT services and subject matter expertise to explore specific to customer market position and needs of focus
- Expand value of the database service and sell up as an augmentation with Top 20 upcoming programs in government
  - Include primary research to capture and track street talk without attribution
  - INPUT analyst to create relationships with government for greater access to program strategy and value added insight into database with face to face visits
  - Research absolute POC for BD or Sales with name and number
  - Attach Bidders List/Industry Day to record; if no numbers or names call and add them
- Prioritize Opportunities and provide more information on set number of programs; assign senior analysts with fewer larger programs to become the expert
- Enhance task order offering—capture every announcement and document customer, type of work, value, date from websites, newspapers, fed rags etc...build from there

Growth Areas for Consideration - INPUT

- **Develop an "Intellipedia" like offering within domain of INPUT**
  - **Implemented as a community collaboration tool used to resolve industry questions about the market, answered by INPUT researchers/consultants and/or community members. Environment could be offered as a subscription service**
  - **Implement a wiki environment that customer capture/BD staff uses to edit and change specific opportunity or client information, organize notes and other information relating to the bid across the customer's enterprise**
    - **Protected and Isolated by company to protect sensitive/proprietary information**
    - **Potential to expand the environment to allow customers to provide teammate collaboration relating to an opportunity**
      - **Drive small business contractors to become part of the INPUT customer base**
  - **INPUT could consider provide a link to the govitwiki information (assuming a reciprocal partnership would allow this) and vice-versa**
    - **Add value to govitwiki through link integration into INPUT, For example, if an INPUT customer is reading the INPUT DoT Agency profile, one click to the govitwiki DoT area**
    - **And if user is on govitwiki page, a link could be provided to click through to INPUT and either get logged in and connected to relevant INPUT content areas (if INPUT customer) or teaser page for lead generation**
- **Determine INPUTS position/play with Web 2.0**

Growth Areas for Consideration - INPUT

- **Target high dollar areas such as: Colorado Springs, San Diego, San Antonio, Omaha**
  - **Increase opportunities and content within major regional areas**
  - **Develop specific regional org charts and POCs**
  - **Contractor community has its unique set of contractors and BD network**
  - **Host event for branding/recognition and leadership in government (could even partner with AFCEA chapters or other for draw)**
- **Create access consulting/relationships**
  - **Either build or partner**
- **Partner with proposal support shop for sell through revenue**
- **Follow BRAC and what impact it will have on contractors and workforce**
  - **Example: Huntsville, AL will be the home to NASA, Missile Defense Agency, Army Space and Missile Defense, Army Aviation Command and Army Material Command—creating new contracting opportunities and relocating major defense functions**
- **Add government workforce component into database**
  - **Contracting community wants and uses this information—readily available but not easily searchable via OPM FedScope website**
  - **Employee numbers over time indicate attrition, de-emphasis on certain occupations, increased outsourcing, and provide metric data –OPM captures this data by occupation and by agency; DoD Statistical Information Analysis Division**

INPUT is recognized and known, but is it how you want to be known?

- Become the Experts in Government
  - Move from "a source to "The Source"
    - Deeper content, knowledge/insight on every issue important in Federal Market
  - Create a "face" to INPUT for customer base
    - Get outside the office, get quoted, have your customers know and value key executives opinion, advice
    - Know your customers –Federal Execs, Legislative Affairs, Operational Divisions, BD, Sales, Marketing
  - Create a "face" of INPUT to government officials—access to develop formal and informal communities of interest
    - Get to know the government officials first hand and build deep relationships
  - Move from being known as having data to being known for knowledge/insight

Every senior government official and contractor/vendor should ask... What does INPUT think about this? How can INPUT help?

INPUT

AGENDA

Re: RAS Functional Meeting (July Review) Date: 08/16/2010

Attendees: Brian Haney, Carey Webster, Daphne Zweifel, Deniece Peterson, Douglas West, Grant Laing, Julie Santoriello Chariell, Kevin Gates, Mark Keller, Megan Gamse, Peter Cunningham, Rick Golden, Schalene Dagutis

Excused: Tim Brett

Agenda:

- Capture Intelligence (Daphne Zweifel)
- GovIA (Julie Santoriello Chariell)
- Vendor Intelligence (Julie Santoriello Chariell/Rick Golden)
- State & Local Information Services and Industry Analysis (Schalene Dagutis)
- Federal Information Services (Carey Webster)
- Federal Industry Analysis (Deniece Peterson)
- Software Development (Grant Laing/Mark Keller)

Topics:

To be covered during each product area presentation

- Contract Value/Orders Performance
- Retention, if applicable
- Usage
- Other Activities (to include project initiatives, upcoming reports, etc.)

Old Business/Previous Action Items: *(Reference the minutes of the last meeting; do not delete until completed.)*

Assigned To	Action Item/Task	Due Date
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

Notes from Previous Action Items:

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

New Business:	**Report**
I. _____	[Assigned to Name]
a. _____	[Assigned to Name]
b. _____	[Assigned to Name]
c. _____	[Assigned to Name]
II. _____	[Assigned to Name]
a. _____	[Assigned to Name]
b. _____	[Assigned to Name]
c. _____	[Assigned to Name]
III. _____	[Assigned to Name]
a. _____	[Assigned to Name]
b. _____	[Assigned to Name]
c. _____	[Assigned to Name]
IV. _____	[Assigned to Name]
a. _____	[Assigned to Name]
b. _____	[Assigned to Name]
c. _____	[Assigned to Name]
V. _____	[Assigned to Name]

a. _____ [Assigned to Name]
b. _____ [Assigned to Name]
c. _____ [Assigned to Name]

Assigned To	Action Item/Task	Due Date
1.		
2.		
3.		
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7.		
8.		
9.		
10.		

INPUT

MEMORANDUM

DATE: August 17, 2010

TO: Peter Cunningham

FROM: Jennifer Hulvey, Carly Pla, Russell McKinnon and Andrew Sung

SUBJECT: Member Services July Functional Agenda

CC: Brian Haney

The following are the points we have noted for discussion during our meeting:

1. Issues and Resolutions
2. Total Member Services Performance
   - Renewal Rates
   - New Business
   - Member Advisor Rankings
3. New Business Analysis
4. Ticket Reporting
5. Conclusions

***

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The Authority on Government Business.

July 2010 - Member Services Recap

Jennifer Hulvey, Andrew Sung, Carly Plá & Russ McKinnon
Managers, Member Services
INPUT

August 16, 2010

Confidential & Proprietary
For Internal Use Only

Agenda

INPUT

- Issues and Resolutions
- Total Member Services Performance
  - Renewal Rates
  - New Business
  - Member Advisor Rankings
- New Business Analysis
- Ticket Reporting
- Conclusions

Issues & Resolutions

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- State & Local Renewal Rates – Set up Quarterly Reviews with Schalene and MA's
- Improved Usage Reports – Still Pending
- Hiring – More Qualified Candidates (Resums)
- Ticket Response Accuracy - MS/RAS Pow Wow

Renewal Rates – 2010 vs. 2007/08/09

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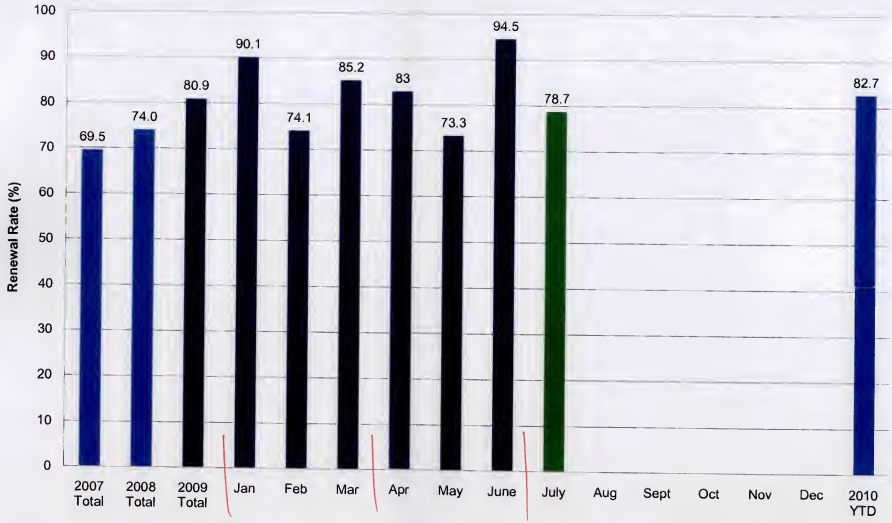

2010 Renewal Goal is 80%

2010 MS Total Business

INPUT

	Avg 2008	Avg 2009	Jan	Feb	March	April	May	June	July	Aug	Sept
Pla	$320,201	$541,477	$727,504	$556,528	$710,904	$588,790	$518,156	$795,709	$482,670		
Hulvey	$290,847	$539,714	$597,859	$640,984	$739,254	$609,756	$595,520	$660,762	$548,043		
Sung	$502,141	$522,685	$627,541	$435,963	$345,304	$395,224	$449,364	$492,088	$304,119		
Initial Plan	$1,292,0	$1,588,5	$1,713,3	$1,832,3	$1,694,3	$1,562,3	$1,684,3	$1,670,3	$1,390,3	$1,990,3	$1,843,3
Re-Forecast	$1,292,0	$1,588,5	$1,713,2	$1,832,2	$1,694,2	$1,562,0	$1,660,6	$1,632,1	$1,348,7	$1,982,3	$1,835,5
2009 Actual		$1,610,5	$1,605,7	$1,484,1	$1,445,2	$1,322,5	$1,337,4	$1,379,2	$1,173,7	$1,570,2	$1,342,9

2010 YTD = 103%

2010 MS New Business

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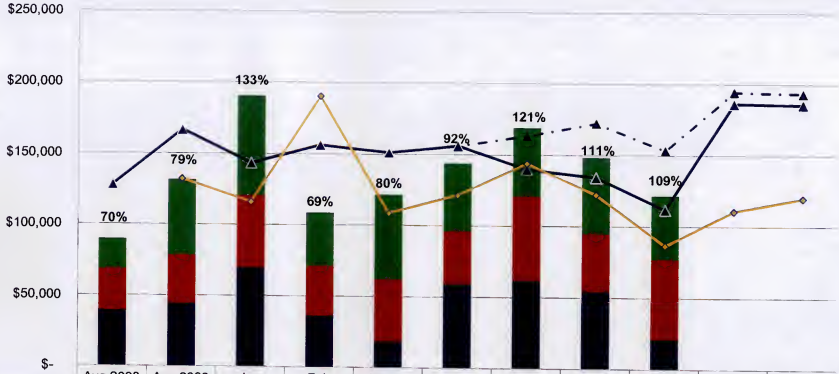

	Avg 2008	Avg 2009	Jan	Feb	March	April	May	June	July	Aug	Sept
Pla	$20,845	$52,938	$70,161	$37,270	$59,325	$47,628	$48,497	$53,661	$44,554		
Hulvey	$29,123	$33,703	$50,621	$34,771	$43,527	$37,033	$59,085	$39,774	$56,094		
Sung	$39,656	$44,770	$69,648	$36,508	$18,450	$58,958	$61,633	$54,932	$20,918		
Initial Plan	$127,980	$166,810	$143,210	$156,225	$151,217	$156,001	$163,313	$172,313	$153,313	$194,313	$193,313
Re-Forecast	$127,980	$166,810	$143,210	$156,225	$151,217	$156,001	$139,630	$134,140	$111,711	$186,311	$185,590
2009 Actual		$131,911	$115,793	$190,430	$108,549	$121,302	$143,619	$121,983	$86,352	$110,531	$119,536

2010 YTD vs. Adjusted Plan = 101%; YTD vs. Quota = 92%

Actual Renewal vs. Plan

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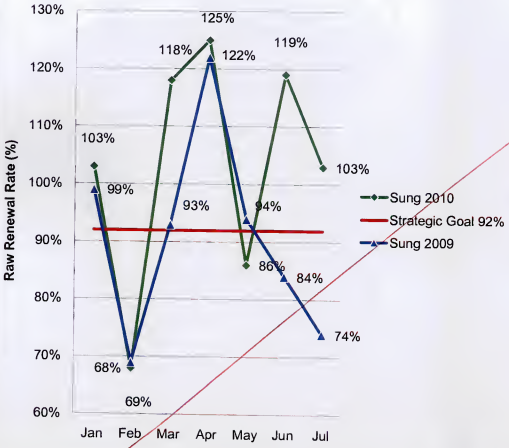
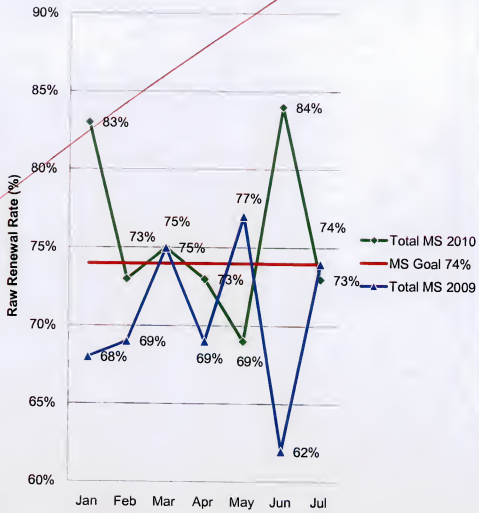
Team Sung vs. Plan by Month



MS vs. Plan by Month



Actual Renewal vs. Plan

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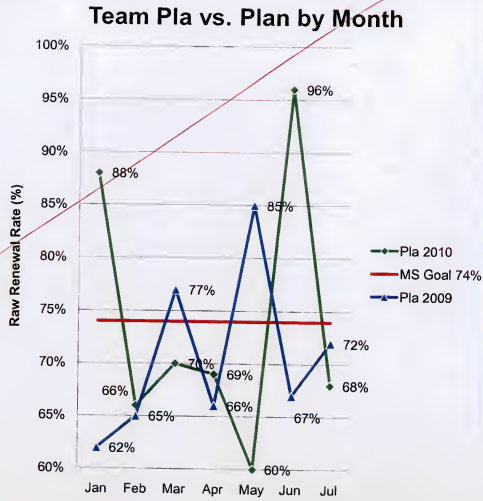

Member Services Rankings

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Performance Range (%)	Number of MA's/AM's	Percent of MS
0 – 80%	2	7%
80 – 100%	4	14%
100% >	26	87%

Team	YTD Performance
Sung	107%
Hulvey	105.3%
Pla	102.7%
McKinnon	93.5%

Upsell Team Results – July

INPUT®

	Jan	Feb	March	April	May	June	July	Aug
Funnel	$355,465	$272,250	$265,968	$326,834	$364,753	$467,039	$422,680	$444,087
Companies in Funnel					89	112	90	89
Plan	$77,739	$85,409	$82,458	$85,278	$70,374	$67,607	$57,389	$94,987
Forecast	$48,250	$72,000	$83,100	$83,750	$86,350	$84,250	$64,400	$81,000
Total Sold	**$83,187**	**$40,521**	**$68,324**	**$61,534**	**$93,454**	**$65,358**	**$85,179**	**TBD**
% of Plan	**107%**	**47%**	**83%**	**72%**	**133%**	**97%**	**148%**	**TBD**
% of Quota	119%	63%	89%	81%	111%	79%	109%	TBD
Companies Sold	20	18	23	25	26	28	22	TBD
Close % by companies Sold	-	-	-	-	29%	25%	24%	TBD
Close % by available dollars Sold	23%	15%	26%	19%	26%	14%	20%	TBD
Ave Deal Size	$4,159	$2,251	$2,971	$2,461	$3,594	$2,334	$3,857	TBD

Upsell Team by Product – July

INPUT

Product	Sales $	Product Sales	Avg $ per Unit
Fed Complete	$4,478	1	$4,478
Fed Sales Solution Plus	$18,861	1	$18,861
Fed Sales Solution	$4,875	2	$2,438
Labor Rates	$1,955	1	$1,955
Teaming Profiles	$2,545	1	$2,545
Agency Profiles	$1,166	2	$583
IA Reports	$15,401	4	$3,850
Labor Rates Report	$495	1	$495
TOONS	$334	1	$334
S&L Complete	$5,017	1	$5,017
S&L Sales Solution	$17,450	4	$4,363
S&L Opps	$3,787	1	$3,787
Web Services/Connectors	$8,815	4	$2,204
Total Product Sales	$85,179	23	$3,703
OA Reports 3-pack	$2,250	1	$2,250
OA Report 6-pack	$4,250	1	$4,250
Adjustments	($795)		
Total Company + Performance	$90,884	25	

Upsell Team - Individual Performance

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	Q1		April		May		June		Q2		July		YTD
	Sold	% of Quota	Sold	% of Quota	Sold	% of Quota	Sold	% of Quota	Sold	% of Quota	Sold	% of Quota	
Mike	**$88,057**	**126%**	**$19,570**	**81%**	**$26,850**	**105%**	**$27,220**	**101%**	**$74,479**	**97%**	**$31,376**	**132%**	**114%**
Eric	**$92,895**	**133%**	**$21,957**	**91%**	**$16,809**	**66%**	**$26,012**	**96%**	**$66,218**	**86%**	**$43,450**	**183%**	**119%**
Ralph	**$9,060**	**23%**	**$19,863**	**97%**	**$19,553**	**91%**	**$15,412**	**68%**	**$54,828**	**85%**	**$11,417**	**57%**	**60%**
Noelle	**$29,865**	**152%**	**$12,315**	**60%**	**$36,175**	**169%**	**$6,757**	**30%**	**$55,247**	**86%**	**$4,637**	**23%**	**86%**

Strategic Upsell Results – July

INPUT

	Jan	Feb	March	April	May	June	July	Aug
Funnel	--	--	--	$144,771	$181,500	$231,161	$239,035	$242,345
Companies in Funnel	--	--	--	--	20	17	17	19
Strategic Goal	$47,869	$52,592	$50,775	$52,511	$55,852	$53,656	$44,674	$74,524
Forecast	--	--	--	$54,563	$55,300	$54,000	$45,000	$65,000
Sold	$58,778	$18,833	$13,560	$50,169	$59,148	$54,932	$20,918	$10,839
% of Goal	123%	36%	27%	96%	106%	102%	47%	15%
% of Quota	156%	97%	46%	117%	115%	94%	41%	TBD
Companies Sold	23	11	8	9	8	8	8	7
% Close by Company	--	--	--	--	40%	47%	47%	TBD
% Sold by Funnel Dollars	--	--	--	35%	33%	24%	9%	TBD
Avg Deal Size	$3,246	$3,359	$2,931	$6,540	$7,958	$6,867	$2,615	TBD

Strategic Upsell by Product – July

INPUT®

Product	Sales	# of Product Sales	Avg Price per Unit
S&L Report - "State of the States"	$4,000	2	$2,000
S&L Industry Insight - WIC	$495	1	$495
OA	$995	1	$995
Sub-Total	$5,490 26%	4	$1,373
Price Increase	$9,220 44%	3	$3,073
Prorates	$6,208 30%	1	$6,208
Total	$20,918	8	$2,988

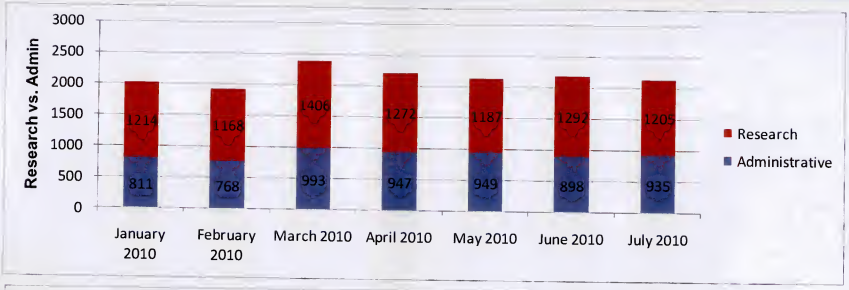
Forecast – August

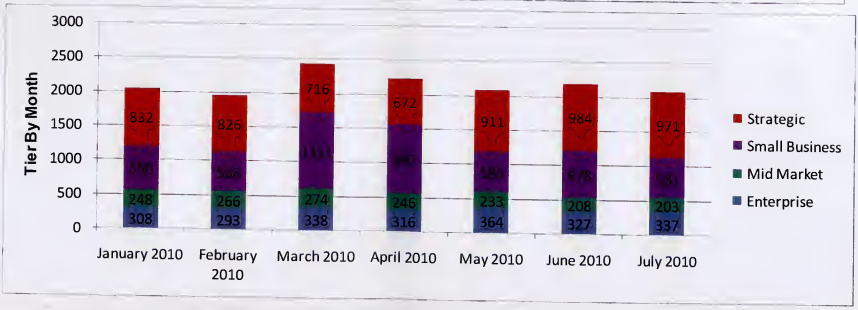
INPUT®

	Forecasted Renewal	Renewal IN	Forecasted New	New IN	Total Forecasted	Total IN
TeamSung	$646,610	$285,726	$65,000	$10,839	$711,610	$296,565
TeamHulvey	$581,000	$326,343	$10,000	$10,373	$591,000	$336,716
TeamPla	$575,000	$343,000	$10,000	$19,388	$560,000	$362,388
TeamMcKinnon	N/A	N/A	$81,000	$10,493	$81,000	$10,493
Total	$1,802,610	$955,069 (54%)	$166,000	$24,176	$1,943,610	$1,006,162 (51%)
Quota	$1,796,000		$186,311		$1,982,311	

Received Tickets

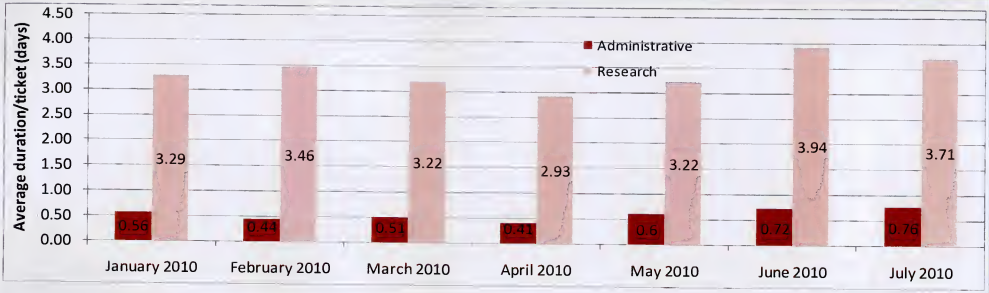
INPUT

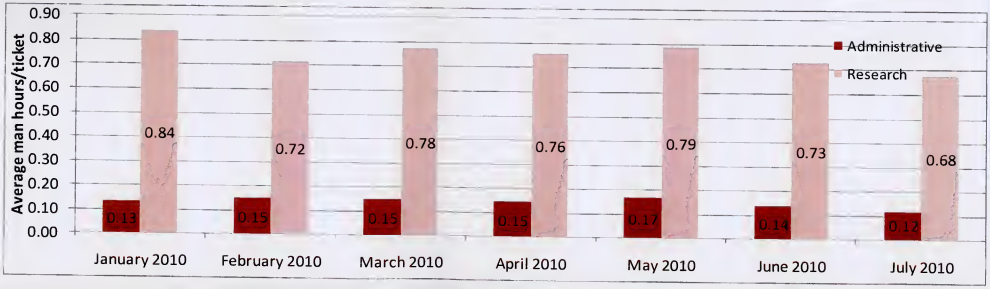




Delivered Tickets by Category

INPUT





Active Tickets

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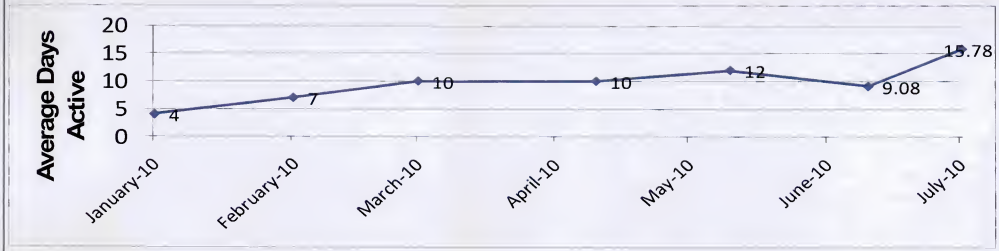
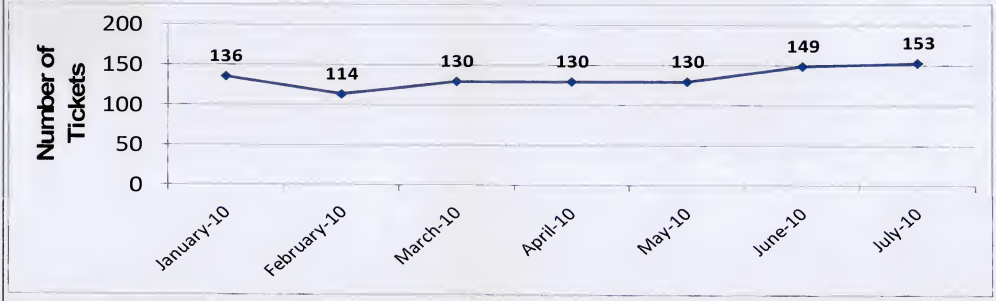




Completed Tickets by Team - July

INPUT®

Team	Number of Completed Tickets		
	May	June	July
Federal RAS TOTAL	664	702	702
Member Services TOTAL	370	432	395
State & Local RAS TOTAL	96	82	87
Content Operations	33	30	36
Industry Analysis	12	13	7
Data Acquisition	5	7	1
FOIA Services	3	1	1
Grand Total	1182	1268	1182

Conclusion

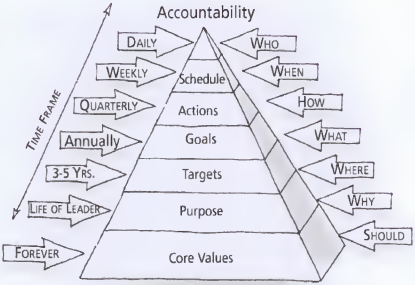
INPUT®

- Strong YTD Renewal Performance
- New Business Trending upward
- Ongoing analysis of trends and accuracy of ticket system
- Questions?

Q3 2007

INPUT®

One-Page Strategic Plan



Printed: 10/21/2008

One-Page Strategic Plan

Organization Name	INPUT
Your Name	Wayne Adams
Date	04/17/07

CORE VALUES/BELIEFS
(Should/Shouldn't)

Innovation – Constantly innovate. Innovate or Die.

Nimbleness – be agile, fast and decisive

People – respect and grow people

Understanding – knowledge + action = Success

Trust – Integrity engenders Trust

PURPOSE
(Why)

BE the leading global provider of information solutions that HELP buyers and sellers conduct business to CREATE value for our members, employees, partners and shareholders

Actions
To Live Values, Purpose, BHAG

1	Develop government community conceptual plan. Release three new innovative products	K P
2	Complete new business sales analysis and take action based on output	W A
3	Cornerstone Leadership development for all managers	D H
4	Complete product and member research surveys	M K T
5	Create monthly recognition related to core values	D H

Check boxes above after assigning accountability

BHAG
INPUT into every technology buying and selling decision

TARGETS (3-5 YRS.)
(Where)

Future Date	12/31/2010
Revenues	$50 million
Profit	$10 million
Mkt Cap	$150 million

Sandbox
Information solutions for the U.S. public sector technology sales and procurement functions

Key Thrusts/Capabilities
3 – 5 Year Priorities

1	Government community of 250,000 members
2	Integrate personalization, analysis, and community aspects of our products
3	5000 members with average CV of $10,000
4	IEP/ BP with CV of $5m with 500 members in 25 groups.
5	50% of content and sales developed outside DC area (at substantial cost

KPI/Overt Benefit
Contract Value

Renewal Rate

Product Use

Brand Promise
Knowledge Now!

GOALS (1 YR.)
(What)

Yr Ending	12/31/07
Revenues	$24.7m
Profit – N.I.	$1.4m
Mkt Cap	
S & M Costs	37%
Cash	$7.3m
Sales	$28.8m
C.V.	
CV/Emp.	$160k

Key Initiatives
Annual Priorities

1	Implement role based products including IEP / BP
2	Expand INPUT network to government community
3	Achieve employee retention rate of 70%
4	Achieve CV retention rate of 70%
5	Improve sales productivity by 5%
6	Achieve $1m in Vertical products

1 or 2 Critical #s
Net Contract Value Increase

Revenue per Employee

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Opportunities to exceed plan

1	Software
2	Healthcare IT Vertical
3	IEP / Best Practices
4	INPUT.com (e-commerce and ad revenue)
5	Channel Sales

Threats to making plan

1	Ability to staff properly
2	Market saturation
3	Price erosion
4	Free Information (Google / Government)
5	Market being subsumed by player going after a bigger market.

ACTIONS (QTR)
(How)

Qtr. #	3
Revenues	
Profit – N.I.	
Mkt Cap	
S&M Costs	34.4%
Cash	
Sales	$5.6m
C.V.	
C.V. / Emp.	

Rocks
Quarterly Priorities

1	Implement Government Community Web site including registration process.	KP
2	Achieve $400k in Industry Analysis new sales.	DH/ WA
1	Define Health IT product and position for Q4 release.	KP
4	Demonstrate 5% sales productivity improvement per head for Q3 vs. Q2 (adjusted for seasonality).	WA
5	Achieve renewal rate of 73% for the quarter.	WA

Prioritize your Rocks.

1 or 2 Critical #s

Contract Value Increase

Net Income

THEME (QTR/ANNUAL)

Deadline	9/30/07
Measurable Target/Critical #	
Sales of $5,554,000	

Theme Name

Operation Air Attack

Scoreboard Design
Describe and/or sketch your design in this space.

Celebration/Reward

Party at the Udvar Hazy Air and Space Museum

YOUR ACCOUNTABILITY
(Who/When)

	Your Quarterly Priorities	*Due*
1		
2		
3		
4		
5		

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INPUT®

Rockefeller Habits

Checklist

Name _____ Company _____ Date _____

1) Everyone aligned with #1 thing that needs to be accomplished this quarter to move company forward
- ❑ 5 priorities (Rocks) are identified and ranked for the quarter
- ❑ A Critical Number is identified and aligns with the #1 priority
- ❑ A Quarterly Theme is established that brings the key priority/Critical Number alive
- ❑ A scoreboard for the Critical Number is posted and Theme announced
- ❑ All employees know what the Celebration/Reward will be

2) Communication rhythm is established. Information moves through organization accurately and quickly
- ❑ All employees are in some kind of a daily and weekly huddle
- ❑ Huddles cascade from senior management to frontline or visa versa

3) Every facet of the organization has a person assigned with accountability for ensuring goals are met
- ❑ Income (P&L), Cash Flow, & Balance Sheet statements have persons assigned to each line item
- ❑ An accountability chart has been created

4) Ongoing employee feedback and input is systematized to remove obstacles and identify opportunities
- ❑ Employee hassles/ideas/suggestions/issues are being collected weekly
- ❑ There is a systematic process for addressing issues and opportunities
- ❑ Thank You cards are being written every week by senior management

5) Reporting and analysis of Customer Feedback data is as frequent and accurate as financial data
- ❑ All employees are involved in collecting customer data
- ❑ There is a person assigned accountability for customer feedback
- ❑ All senior leaders communicate with at least one customer weekly

6) Core ideologies are "alive" in the organization
- ❑ Core ideologies are discovered and defined
- ❑ Stories are being shared of employees who represent the ideologies
- ❑ Core ideologies are included in appraisal and recognition processes

7) Clear understanding of the firm's market position drives strategic planning and sales and marketing
- ❑ Brand Promise and market (Sandbox) are clearly defined
- ❑ The organization is aligned around 5 key strategies (Thrusts/Capabilities) for growth

8) All employees can report at any time what their productivity is and how it compares against goals
- ❑ Smart Numbers (key performance indicators) are identified for the organization
- ❑ Weekly measures for each individual/team are clearly displayed and reviewed

9) A "situation room" is established for the weekly executive team meeting
- ❑ Smart Numbers and Critical Numbers are posted bigger than life with goals clearly shown
- ❑ Data is presented graphically to help visualize trends
- ❑ Core ideologies, priorities, and market maps posted

10) As goes the Executive Team goes the rest of the firm
- ❑ Team members understand each other's differences, priorities, and styles
- ❑ The team meets offsite every few months for strategic thinking and renewal
- ❑ The team is having fun together

Market Planning Framework

INPUT

Market Assessment

Addresses:
-Market Size & Growth (Spending and # of Prospects)
-Segmentation (Cube)
-Define buyers and buyer needs
-Competition (Size, Strengths, Weaknesses)

Market Plan

Addresses:
-Segments to target – when –
-Strategies for meeting market needs in target segments
-Product-line offering mapped to market needs
-Differentiation vs. competitors
-Financial Plan

Product Plan | Product Plan | Product Plan

Addresses:
-Product offer and market needs met (benefits)
-Critical features/functions required
-Differentiation vs. competitors
-Pricing/Packaging
-Sales & Marketing Strategy & Plan

Market: Federal Vendor Sales & Marketing

Market Size	2009	2013	Comments
Information Services			Derived from Outsell Segments: Market Research and IT & Telecom Research
Advertising/Promotion			Derived from Outsell B2B Trade Publishing segment
Software/Workflow Solutions			Need to determine approach for sizing this segment.
Total Market			

Prospect Universe by Segment	Total Opportunity	Potential Opportunity	Addressable Opportunity	Winnable Opportunity
Definition	# of Companies in Market	# of Companies Likely to Buy	# of Companies Likely to Buy INPUT	Addressable Opportunity - Value of INPUT CV
Core (IT, A&D)- Enterprise				
Core (IT, A&D) - Mid Market				
Core (IT, A&D) - Small Business				
Engineering & Professional Services - Enterprise				
Engineering & Professional Services - Mid Market				
Engineering & Professional Services - Small Business				

Note: Definitions from AGI

Product Line	Type	Orders 2009	2010	2011	2012	2013
Information Services						
Opportunities	Existing					
Sales Solution	Existing					
Complete	Existing					
Federal Industry Analysis	Existing					
Federal Agency Profiles	Existing					
Federal Vendor Performance Profiles	Existing					
Federal Teaming Profiles	Existing					
Labor Pricing	Existing					
Task Orders	Existing					
Federal Org Charts	Existing					
Opportunity Advisor	New					
Capture Intelligence	New					
New Product	New					
Advertising/Promotion						
Event Sponsorship	Existing					
Email Sponsorship	New					
New Product	New					
Software/Workflow Solutions						
Salesforce.com Connector	Existing					
Task Order Opportunity Notification System	New					
New Product	New					

Timothy Dowd

From: Julie Santoriello Chariell
Sent: Tuesday, July 28, 2009 8:21 PM
To: Timothy Dowd
Subject: My 2 cents

Hi Tim -
Here are some thoughts on the planning spreadsheets:

*when forecasting by market, we should take this opportunity to think about and incorporate the long term trends in the key markets of each division. On page 1, our 5-year summary should include growth assumptions about the addressable market, achievable penetration rates and pricing to arrive at summary revenue growth. We probably should do this for the subsectors listed on page 2, though the number of subsectors is too large and cumbersome. I would guess that each market can be split into roughly 3 subsectors, so we should roll-up the ones shown on page 2 and do some thoughtful market analysis.

* These market projections should take into account long term industry trends and thus requires a 5 year outlook, but I think we should switch to a 3 year planning horizon for products. We should prefer that the team spend time thinking hard about the next 3 years rather than waste time picking #s out of the air for years 4 and 5

*pages 3 - 6 should include subtotals for existing product revenue and revs expected from new products.

* are the revenue forecasts on pp 3-6 approached as a combination of units x price? If not, i think price should be a consideration so we don't miss an opportunity to raise prices if we think we have pricing power, or discount prices in response to competitors or a tough economy. This will also force us to think about price elasticity.

* I was surprised that the Board would not want to see some measure of profits by market. Certainly not all the expense detail, but why not ebitda pct? Along these same lines, I would think that headcount and h/c growth estimates by market are important as well. A view to this would help gauge periods of growth v leverage for different markets.

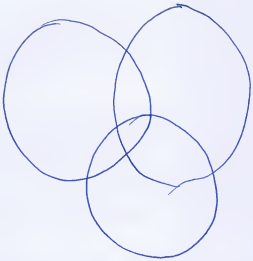
* for the input financial performance section, this too should be 3 forecast years (2010-2012) not 5

* deriving an ASP (average selling price) for the company historically and going forward can lead to some important questions and answers.

*page 1 of this section should also include revenue mix by the 4 segments (pct of total revs) to help make strategic decisions about subscriptions v consulting etc

* also surprised the Board doesn't want a list of investing activities in cash flow. This # jumps around a lot and I would think a check on big capital spending items would be important.

TOTAL SPEND
CURRENT.



TOTAL FLAT →

Private and Highly Confidential

· Send Ted comp comm. CRC comp. plan! Annual goals

· NOTICE BOARD – CHARTS – charts for t'fent events

· INF. SECURITY.

· Executive So for executive

– take down cash board.

· CSIS – Schedule

– possibly.

· exit plan for D4/AB.

· Pete – Info – World Cup

· Doug – sale of product

– LOIDA CN

INPUT®

The Authority on Government Business

2006-2010 STRATEGIC GROWTH PLAN

· Anne Reed – Acquisition Solutions.

TH · Joe –

Laird²

July 2006

? organization?

Key Considerations

by different type of organization.

- The INPUT IT market intelligence platforms have the ingredients in place to realize substantial growth in contract value – to $51.9 million by year-end 2010:
  - Current **Federal** contract value of $17.2 million grows to $41.9M by year-end 2010
  - Current **State & Local** contract value of $2.6 million grows to $10 million by year-end 2010
- Competitive environment suggests a near-term need to be aggressive with pricing, in conjunction with a concerted effort to market a "bundled" – INPUT Federal Complete – (and therefore lower-priced) solution

  – 10% per year

  add new product line at no cost??

  ? who sets price?
- Price adjustment, plus much better member services execution, should result in improved renewal rates over time
- In Federal products, contract value will shift in favor of **enterprise** clients, from a current level of 36% of contract value to over 47% of contract value by 2010. Combined with **small business** contract value, nearly 80% of contract value will be away from strategic accounts.
- In State & Local products, contract value will shift in favor of **small business clients**, from a current level of over 20% of contract value to nearly 30% of contract value by 2010. Combined with **enterprise** contract value, over 65% of contract value will be away from strategic accounts.
- Consulting should be viewed as an opportunity to "go deep" with our strongest clients within a highly structured product framework
- INPUT should continue to offer a set of highly visible events, viewed as a marketing tool, but make no attempt to grow beyond today's activities
- Optimized "sales operations" – top-of-funnel, prospect rating, target management – are imperative to the Company's success and will contribute to meaningful increases in sales force productivity over time
- A very robust member services effort will need to contribute to a meaningful improvement in renewal rates

  – training – must be emphasized –

  – education different but necessary.

  – must understand processes that use our information.

  – better automation! more external focus.

  – feedback from sales & MS.

  · possible search utility/adv. revenues?

Key Considerations, Continued

- Limited targeted increases in product creation headcount will result in significant gross margin improvement, while meaningful sales and member services headcount growth will support the ambitious growth in contract value
- Projection for 2010 includes total recognized revenues of **$50.7 million**, generating EBITDA margins approaching **20%** - an "acceptable" margin for INPUT's subscription/recurring revenue businesses
- EBITDA of just over $10 million will create substantial equity value = at least $100 million

- Create people adjacent opportunities
- post contract d b

Thermal - and Electric

ISSUE - penetration of secondary products -

Top Five (5) Issues

- Product/Service Improvements
  - Customization - relevant to each member -
  - Depth of data - authoritative - market analysis & IOP.
  - Thought leadership

Reallocation of resources

- Pricing/Bundling
  - Lower prices
  - INPUT Federal Complete®
  - State & Local Complete®
- Sales Force Optimization
  - Sales ops - review CRM system
  - Segmentation - member service and product.

? no. of companies. ratio of prospects.

need. population of data base
- identification
- qualification.
- examination / ratio of data in
- updating of data base.

- Renewals
  - Member services
    - value -
    - training.
    - interaction.
- Management Team
  - Vision/culture/leadership
  - Organization structure
  - Execution
  - Compensation/options

confidence with continuity

more corporate

- segment goals for each point.

- Segment in term of service.
- Management of system - measurement process!
- the / customer / not the / account.
- visits???

holding back to selling / sales op - c.

people - constantly hunt.

Laird²

CONFIDENTIAL

7.5

cost of sales.

FST.

1.8	3.3m	cost of sales	- 7.1 cs
2.2	2.8m	sales force	
.8	1.5	G&A	
4.5	~~5.7~~		
	7.		

1.5

1 1 possibility split

Corp. vs sales segment

need for engineers

SITES

2.5 vs 5.1 2 EBITDA 10m

Next Five (5) Issues

- Market Analysis/IEP
  - Thought leadership
  - External focus
- Competition
  - FSI et al.
  - Indirect competition (e.g., Google)
- Consulting
  - Different positioning
  - Bigger aspiration
- Marketing
  - Usefulness and effectiveness
- New Opportunities/Terrain
  - Search advertising/sponsorship
  - Capture management

NPD — IDEAS

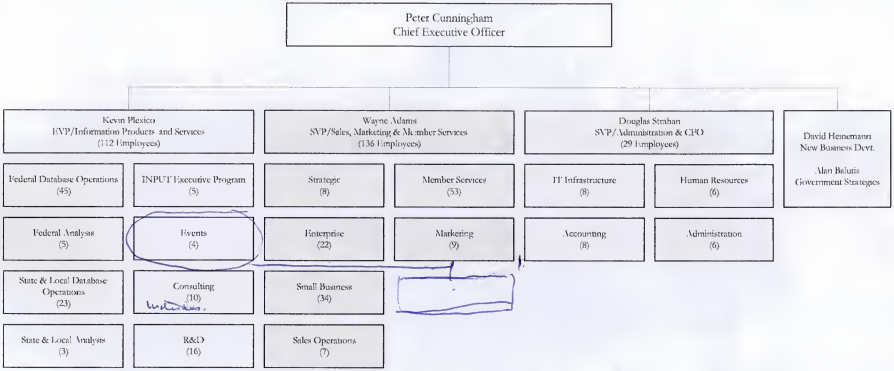
Mkt \ Product	EXIST	NEW
EXIST	(0,0)	+1
NEW	+2	+3

Hiring - one hygiene.

Role
- Mkt Analysis - need.

Laird²

Company Organization, 2010: Clear Ownership of Key Parts of the Organization Must be Established



M Mkt and Events be together.

Note: Headcount totals may not match charts exactly due to rounding and staff allocations

Laird²

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INPUT

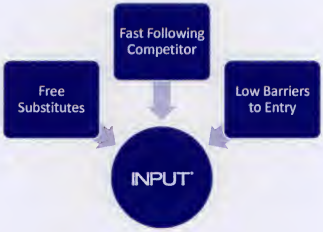
Vendor Connections

Helping Buyers Buy and Sellers Sell

Jeff Baker
Stacy Bergert
Meredith Dounias
Abhi Gore
Erika Jones-Trujillo

August 22, 2008

INPUT Needs to Overcome Key Threats…



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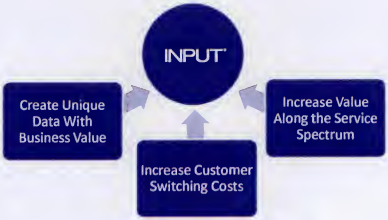
…and Change the Dynamics of Competition



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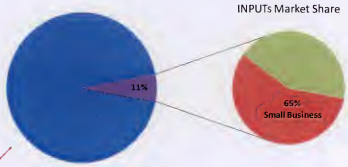
Growth Potential Is with Small Business



- Untapped Market
- Small Business Customer Segment of INPUT
- All Other Customer Segments

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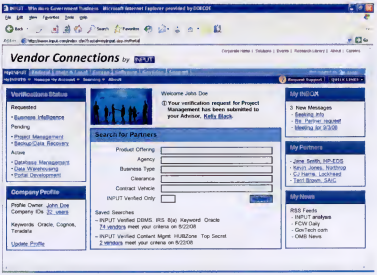
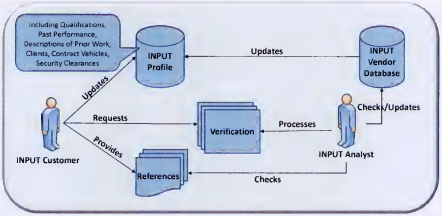
CAN WE GET
THE DATA and Sources

Connecting Vendors to Each Other via a Pass-Through Mediated Exchange



Verifications Add Value for Customers and for INPUT



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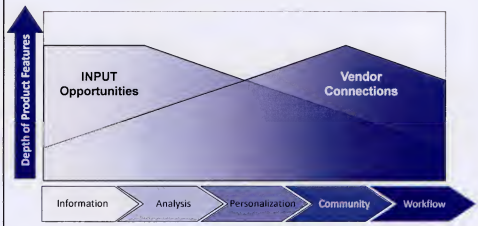
Vendor Connections Complements INPUT Opportunities Product Offerings



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RED ⟶ BLUE OCEAN

Vendor Connections Is a Clear Fit

Technology

- Utilizes existing architecture
- Uses & improves existing data
- Complements existing products

Strategy

- Capitalizes on brand and neutral third-party position
- Leverages core capabilities & resources

Customer

- Increases small business willingness to pay
- Capitalizes on base of large customers
- Expands to client delivery users to further embed in workflow

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Vendor Connections with INPUT Verifications Addresses Customer Needs

Small Business Perspective

"The problem with INPUT's pricing right now is it is all one-way. You cannot showcase your company, you can only get access."

-- Small Business Interviewee

Large Business Perspective

"Would use a search everyday if it would help locate new companies, especially qualified small businesses."

-- Large Business Interviewee

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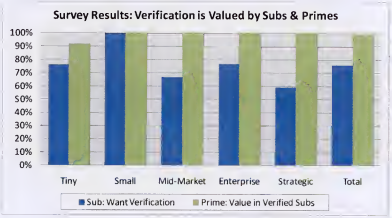
Market Research Proves Verification Is of High Value to Subs and Primes



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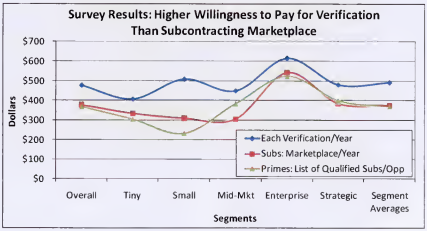
221 Companies
Raw data

Market Research Shows Willingness to Pay for Verifications



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Pricing Is Aligned with Willingness to Pay

Verifications with No Other Subscriptions:

	Price	Cost	Contribution Amount	Price Per Verification
One verification	$ 675	$ 472	$ 203	$ 675
Five verification bundle	$ 2,750	$ 1,799	$ 951	$ 550
Each verification after five	$ 425	$ 332	$ 93	$ 425

Discounted Verifications with Subscription to Other INPUT Product(s):

	Price	Cost	Contribution Amount	Price Per Verification
One verification	$ 600	$ 472	$ 128	$ 600
Five verification bundle	$ 2,400	$ 1,799	$ 601	$ 480
Each verification after five	$ 385	$ 332	$ 53	$ 385

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Changing the Dynamics of Competition Is Inherently Risky

Technology

- Interface design
- Integration of vendor data
- Information assurance

Strategy

- Marketing and branding
- Market positioning

Customer

- Speed of customer uptake
- Sensitivity of disclosure
- Saturation with verifications

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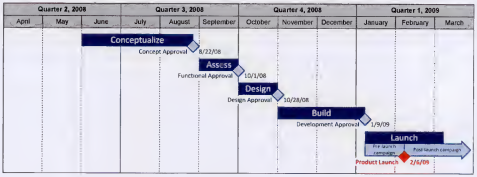
Six Months to Launch Following INPUT's Methodology



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Vendor Connections Success Is Dependent on Organizational Changes

- FCWCOM Product Launch Campaign
- Customer & Staff Training
- Key Resource Requirements
- Customer Advisory Group
- Legal Consultation

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Risk-Based Scenarios Prove Financial Viability of Vendor Connections

Scenarios	Description	NPV at 28% WACC
Downside Case (Slow Uptake) *Breaks Even in Year 5*	10% Market in 5 Years 2X Annual Marketing Costs IRR = 15%	($146,991)
Base Case (Goal) *Breaks Even in Year 2*	22% Market in 5 Years	$823,424
Upside Case (Optimistic) *Breaks Even in Year 1*	22% Market in 5 Years Higher Yearly Renewal All 5-Bundle Verifications	$1,967,040

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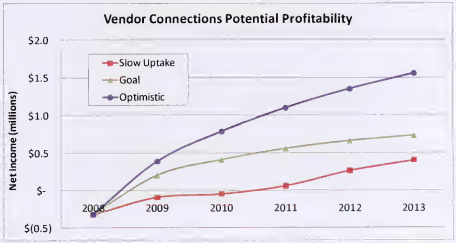
Scenarios in Isolation Are Profitable



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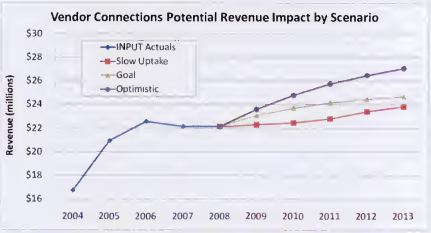
INPUT Revenues Grow with Vendor Connections



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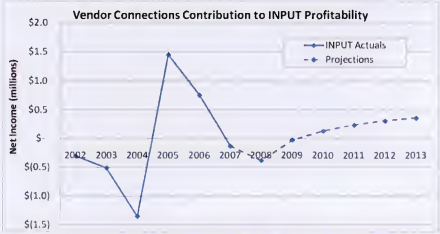
Vendor Connections Can Return INPUT to Strong Financial Health



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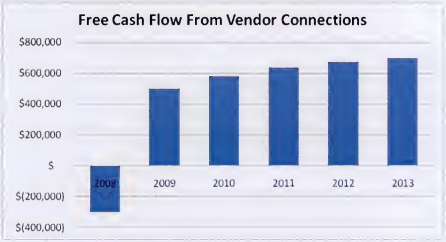
Vendor Connections Is Just the Beginning



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Vendor Connections Is Just the Beginning

Think Big, Start Small

Data • Cross-sales • Targeted Sales • Social Networking

B2B Marketplace

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